2021 ANNUAL REPORT

LASSETERS INTERNATIONAL HOLDINGS LIMITED (200402223M)

FORWARD WITH PROGRESS

• Casino • Hotel • Convention Centre • Spa and Wellness • Property Development

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Lasseters INTERNATIONAL

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CORPORATE VALUES

Our Mission

Lasseters aims to excel in its performance by enlarging its customer base and broadening its spectrum of businesses through casino development and expansion of the hotels, spa and wellness, and property development businesses. In so doing, it will evolve its business into an integrated resort destination with gaming still forming the core. Lasseters will venture into new markets, form strategic alliances and at the same time leverage on the synergies among its range of businesses.

Casino management and IT applications are envisaged to play a pivotal role in attracting players to Lasseters' gaming segment whilst the strong brand recognition for hospitality and spas, with each brand and product line targeting distinct market segment, is expected to enlarge the customer base of the hotels, convention centre and spa and wellness segments.

People

Lasseters' success in casino and hospitality industries is due in great part to its experienced, hardworking and dedicated staff. It is these professionals and their unrivalled wealth of know-how and expertise which help to give Lasseters the crucial edge over its competitors and provide its casino and guests with the high standards of service and hospitality that have come to be synonymous with Lasseters' business outfit.

Adherence to Government Regulations and Anti-Money Laundering ("AML")/Counter Terrorism Financing ("CTF")

Lasseters is fully aware of the effects money laundering can have on society and so it whole-heartedly respects its obligation to ensure the legality and security of all its financial transactions. The Company takes all necessary precautions and measures to avoid and prevent any involvement whatsoever with such perfidy in its operations by working closely with experts and national authorities, and by adhering strictly to all relevant legislation. Lasseters' vast experience, strict financial procedures, network of security and financial experts ensure the financial integrity of all its casino operations.

Lasseters Casino in Alice Springs complies with the Gaming Control Act of Northern Territory ("NT") and the NT Code of Practice for Responsible Gambling, and is committed to full compliance with the AML/CTF Act and Rules issued by The Australian Transaction Reports and Analysis Centre (AUSTRAC).

Internal Controls and Risk Management

Lasseters operates in an environment which requires the Company to conform to strict guidelines laid down by NT specific and national legislation. Standard operating procedures for gaming are well documented in internal control manuals which are endorsed by the relevant authorities and Board members from time to time.

Responsible Gaming

Lasseters takes its responsibility to society with utmost seriousness and is committed to providing maximum entertainment with minimum risk to guests. Nonetheless, Lasseters understands the problems gambling can cause for some people. The Company actively promotes responsible gaming and their staff are fully trained to recognise and deal with such issues. Minors are restricted from access to the premises, credit gaming is prohibited and the opportunity to self-exclude from the venue is open to all patrons. Lasseters works closely with Local Community Groups and national authorities to implement appropriate measures and procedures to ensure strict adherence to the prevailing standards on harm minimisation.

Property Development

Lasseters is inspired by its customers and supporters; and strives to build and deliver great value properties to its buyers. Our aim is not just to provide satisfaction to our stakeholders, but also to build and grow our trade name and brand for the long run in the real estate market.

CORPORATE SOCIAL RESPONSIBILITY

Improving Lives and

The Business

The Group is dedicated to providing products and services aimed at enhancing the experience of our customers. We believe that it is possible for people to live healthy, fulfilling and inspired lives. It is our mission and commitment to operate in a socially responsible manner and that our products, services and facilities always strive to represent the highest level of quality.

We extend this commitment to all our stakeholders, staff and others within the community whom we work with as well as those who participate in our business.

Our Staff

We have a dedicated and passionate team of employees working together to create opportunities that transform lives and improve the business.

The Group recruits a diverse workforce and promotes Equal Opportunity Employment with a focus on fairness and equality. We actively promote a culture of honest and open communication, teamwork and innovation, and also encourage and support the sharing and development of ideas that contribute to achieving our strategic business objectives.

We believe in rewarding and recognising our team as a way of showing our appreciation for their contributions to the success of the business as well as an encouragement to them in achieving future goals and objectives.

The health and well-being of our employees is of the highest importance, and we are committed to ensuring a safe, fair and healthy working environment. The Group has an active Workplace Health and Safety Committee that meets regularly to monitor safety policies and procedures, identify hazards and review all incidents and accidents. We also ensure we have adequate numbers of staff who are trained as First Aid Officers and Fire Wardens. In line with our philosophy, we encourage our employees to lead a healthy and active lifestyle, and all staff has access to our classes and facilities.

CORPORATE SOCIAL RESPONSIBILITY

Our Community

Our community involves a wide range of groups including guests and their families, suppliers, business partners and charitable organisations. We believe that integrity in dealing with all our guests is essential for a successful and sustainable business relationship.

In Alice Springs, we have strong connection with a number of industry and community associations and accreditation programs, which provide vital cooperative marketing and consumer brand recognition which in turn benefit both the Alice Springs Convention Centre and relevant associations or programs. We are members and active supporters of the Chamber of Commerce Northern Territory ("NT"), Tourism Central Australia (TCA), Australian Tourism Accreditation Program and Meetings Events Australia (MEA). We believe that the exchange of ideas and participation within economic and social forums is fundamental to our community's success. The Chief Operating Officer of Lasseters Hotel Casino is also chairperson of the Central Australia Liquor Accord - a voluntary committee established with representatives from licensed venues around Alice Springs, who work together to administer positive change to the safety and wellbeing of the Central Australian Community through Responsible Service of Alcohol (RSA) policies and procedures.

The Group has also taken an active role in supporting a number of charities and fundraising events. Through the provision of packages such as prizes or incentives for these events, we help to raise the necessary funds for various causes. Our marketing team also promotes awareness and support of these charitable organisations through our marketing materials. Over the last 12 months in Alice Springs, the Group has committed to sponsorships and recipients which include but not limited to, AFL NT, Red CentreNATS, Alice Springs Golf Club, Alice Springs Turf Club and Alice Springs Mountain Bike Club as well as significant discounts allocated annually to local schools for formals and year end events.

Our Environment

At Lasseters, we believe that everyone has a responsibility to contribute to sustainable, environmentally-friendly practices that conserve our natural resources and protect the planet for future generations. We understand that even the smallest changes can go towards making a big difference in our growing organisation.

We regularly review our environmental plan to ensure that it reflects changes in regulations and best practices. Voltage Power Optimisation units were installed in Alice Springs since 2016 which resulted in a 15.0% reduction in

energy consumption per annum. Since the partnership with InterContinental Hotel Group ("IHG") in year 2016, Crowne Plaza Alice Springs Lasseters ("CPASL") has participated in the IHG Green Engage programme and achieved Level 1 accreditation in November 2017. The IHG Green Engage programme is an online environmental sustainability tool which comprises more than 200 specific recommendations or 'Green Solutions' designed to reduce hotels' environmental impact. The programme helps to set and track specific reduction goals for usage of energy, carbon, water and waste. In year 2018, CPASL began initiatives for Level 2 of the programme and has taken steps to implement solutions such as sustainable purchasing and ingraining sustainability into hotel operations. Environmental Management System (EMS) is set up to formalise the policy, scope, implementation of initiatives, monitoring, measurement, and a responsibility matrix to ensure there is management and staff accountability.

It is anticipated that by adopting simple, environmentally friendly initiatives, we will raise awareness amongst stakeholders and the wider community.

CORPORATE PROFILE

Lasseters International Holdings Limited ("Lasseters" and its group of companies collectively known as the "Group") was established in February 2004 and officially listed on SGX-Sesdaq (former Catalist Board) in May 2004.

Lasseters originally started off as a land-based gaming group with complementary hospitality businesses in accommodation, food & beverage and convention centre services in Australia.

In 2005, Lasseters expanded into the spa and wellness markets with the acquisition of Cypress Lakes Group Limited ("CLGL") as an incentive to expand its business portfolio. It has since evolved into a leisure and hospitality player with comprehensive service offerings in both gaming and non-gaming businesses. Tapping into the Board's vast experience in real estate development, Lasseters ventured into property and hospitality development in Malaysia in 2013.

The Group's business model generates revenue by offering a wide range of leisure and entertainment experiences through its hotel, casino, food & beverage offerings, convention centre, health club, spa and wellness as well as property development. It operates in a jurisdiction where the gaming industry is well developed and there are stringent controls in place to ensure all gaming operators conduct their business in a well-regulated environment. Most importantly, Lasseters strictly adheres to Anti-Money Laundering and Counter Terrorism Financing guidelines.

In addition, the Group is committed to conducting its casino business in line with world-class standards of excellence, integrity and in conformity with AS/NZS ISO 9001:2000, an international standard which requires strict systems of monitoring and auditing. This standard along with the others are designed to increase customer confidence and satisfaction.

Lasseters operates its core land-based hotel and gaming businesses under the tradename Crowne Plaza Alice Springs Lasseters and Lasseters Casino, collectively known as Lasseters Hotel Casino ("LHC"). The spa and wellness sector was previously managed by CLGL under the premium brand name of "The Golden Door". In 2020, the Group disposed its "The Golden Door" trademarks and continues to operate in the spa and wellness sector through its facilities in LHC.

AUSTRALIA

Land-based hotel and gaming establishment

Located in Alice Springs, the second largest town in the Northern Territory ("NT"), LHC is 500km northeast of Australia's iconic Ayers Rock or "Uluru". The property is situated beneath the stunning MacDonnell Ranges, alongside the banks of the Todd River. Alice Springs is renowned for its arid environment consisting of various deserts that offer a true Outback experience to both locals as well as tourists.

Originally constructed in 1981, this 4.5-star establishment currently features 205 rooms and suites overseeing the nearby 18-hole Alice Springs Golf Club. An additional 70 hotel rooms and the Alice Springs Convention Centre ("Convention Centre") were built in 2002. The Convention Centre has been vital in catering to the Meetings, Incentives, Conferencing and Exhibitions market both domestically and internationally, which has contributed significantly to Central Australia's economy.

In addition to celebrating our 30th anniversary in 2011, we also saw

CORPORATE PROFILE

an extensive period of planning come to fruition that year with the commencement of works on our AUD45.0 million re-development project. Integral to this project was the construction of the new AUD10.0 million Premium hotel wing launched in 2012 that houses 63 rooms and 3 premium suites.

In addition to the award winning 'Tali' restaurant, which was opened in October 2013, other facilities completed that year included a new heated resort-style pool and spa, the Diamond Lounge (VIP gaming room), upgrades to back-of-house facilities such as a new laundry, and landscaping. August 2014 saw the completion of a new hotel reception to give guests separate hotel access from the casino, and a commercial Health Club and Day Spa that can host over 1,600 members. The Goat and Bucket restaurant was subsequently opened in 2015 along with the sports theatre Stadium 93 and a new horse racing/sports betting area (TAB) on the gaming floor.

In 2016, the hotel was re-branded as Crowne Plaza Alice Springs Lasseters through a franchise agreement with InterContinental Hotels Group and a full refurbishment costing AUD6.5 million was completed in 2018.

With four restaurants, a nightclub, four bars, a poolside cafe, a sports theatre, casino, health club and day spa, a 205-key resort and the adjoining Convention Centre, LHC is positioned as the 'Centre of Entertainment' as no other property in Central Australia possesses our range of facilities in one single location. LHC ensures that our guests have the best of both worlds by providing them with modern and contemporary amenities in Australia's scenic and remote desert setting.

LHC is now synonymous with high quality and dependable services that customers can rely on for maximum satisfaction within the region. We were awarded several accolades including the Brolga Awards for deluxe accommodation for 7 consecutive years since 2013; the prestigious gold title in the 2013 & 2017 Qantas Australian Tourism Award for Best Deluxe Accommodation and the bronze title in 2019; the Brolga Awards for Best Business Event Venue in 2015 and 2018; and the silver title in the 2015 Qantas Australian Tourism Award for Best Business Event Venue. In 2015, LHC was awarded the AHA (NT) Best Marketed Hotel. Tali, our signature restaurant was awarded the 2014 Northern Territory AHA (NT) Restaurant of the Year. Other titles won over the years included AHA Aristocrat Technology Award for Excellence for Best Restaurant, Best Sports Entertainment and Best NT Keno Venue.

LHC has participated actively in assisting and partnering with Tourism NT, NT Convention Bureau, NT Government and Local Government to jointly promote Alice Springs as a unique destination. The company does so through annual sponsorship in the Finke Desert Race, Imparja Cup, Ingkerreke Mountain Bike Enduro, Alice Springs Cup and Lasseters Camel Cup, bi-annual events including Alice Springs Masters Games and Lasseters Classic Outback Trial and also supported the community both in kind and in cash donations.

LHC complies with the Gaming Control Act of NT; the NT Code of Practice for Responsible Gambling; Liquor Act; Code of Practice for Responsible Service of Alcohol; Privacy Act; Anti-Money Laundering and Counter Terrorism Financing Act; Workplace Health and Safety Act; Fair Work Act; and rules issued by The Australian Transaction Reports and Analysis Centre (AUSTRAC).

In April 2021, the Group entered into three inter-dependent sale and purchase contracts for the proposed disposal of the freehold land and property, and improvements of LHC, and for the proposed disposal of the casino, hotel, convention centre, food & beverages and health club businesses and non-real property business assets of LHC as part of its strategy and direction.

MALAYSIA

Property and Hospitality Development

The Group's maiden property development project in Malaysia involves the development of sixteen units of industrial factory lots on a piece of leasehold land measuring seven acres, undertaken by a subsidiary Merry Palms Sdn. Bhd. Construction started in financial year 2013 and the project has been successfully completed in June 2016.

On 25 August 2016, the Group ventured into hospitality in Malaysia via a joint venture with a prominent publicly listed company to jointly develop, own and operate a hotel in Malaysia. The project is undertaken through Super Ace Resources Sdn. Bhd. The 229-key 4-star hotel is part of a planned 21.7 acres of integrated township, comprising blocks of serviced apartments, retails, Small Office, Home Office (SOHO) and the UOW Malaysia KDU University College, and is located in Glenmarie, Shah Alam. Physical construction of the hotel was completed in April 2021 and soft opening is slated in fourth quarter of 2021. The hotel is managed by the international hotel chain, Accor under the brand name of "Mercure".

BUSINESS MODEL

Lasseters' business model offers and evolves a range of associated services, such as hotel, convention centre, spa and wellness, property development and a whole array of food & beverage options that revolve around its core gaming business.

These services in turn assist in generating gaming patronage and revenue for the Group. The service quality, integrity, responsibility and respect for tradition that are reflected in all our business services are also driving forces behind our success.

Core Business

Casino

Hotel

Convention Centre

Spa & Wellness

Property Development

CORPORATE INFORMATION

Board of Directors

Dato' Jaya J B Tan
Non-Executive Chairman

Dato' Kamal Y P Tan
Non-Executive Director

Tan San Chuan
Non-Executive Director

Tan Sri Kuan Peng Ching @ Kuan Peng Soon
Independent Director

Teo Chee Seng
Independent Director

COMPANY SECRETARIES

S Surenthiraraj @ S Suressh
Kok Mor Keat

REGISTERED OFFICE

SGX Centre 2, #17-01
4 Shenton Way
Singapore 068807
Telephone: (65) 6535-0550
Facsimile: (65) 6538-0877

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

AUDITORS

BDO LLP
Public Accountants and Chartered Accountants
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778
Partner-in-charge:
Mr William Ng Wee Liang
(Appointed since the financial year ended 30 June 2019)

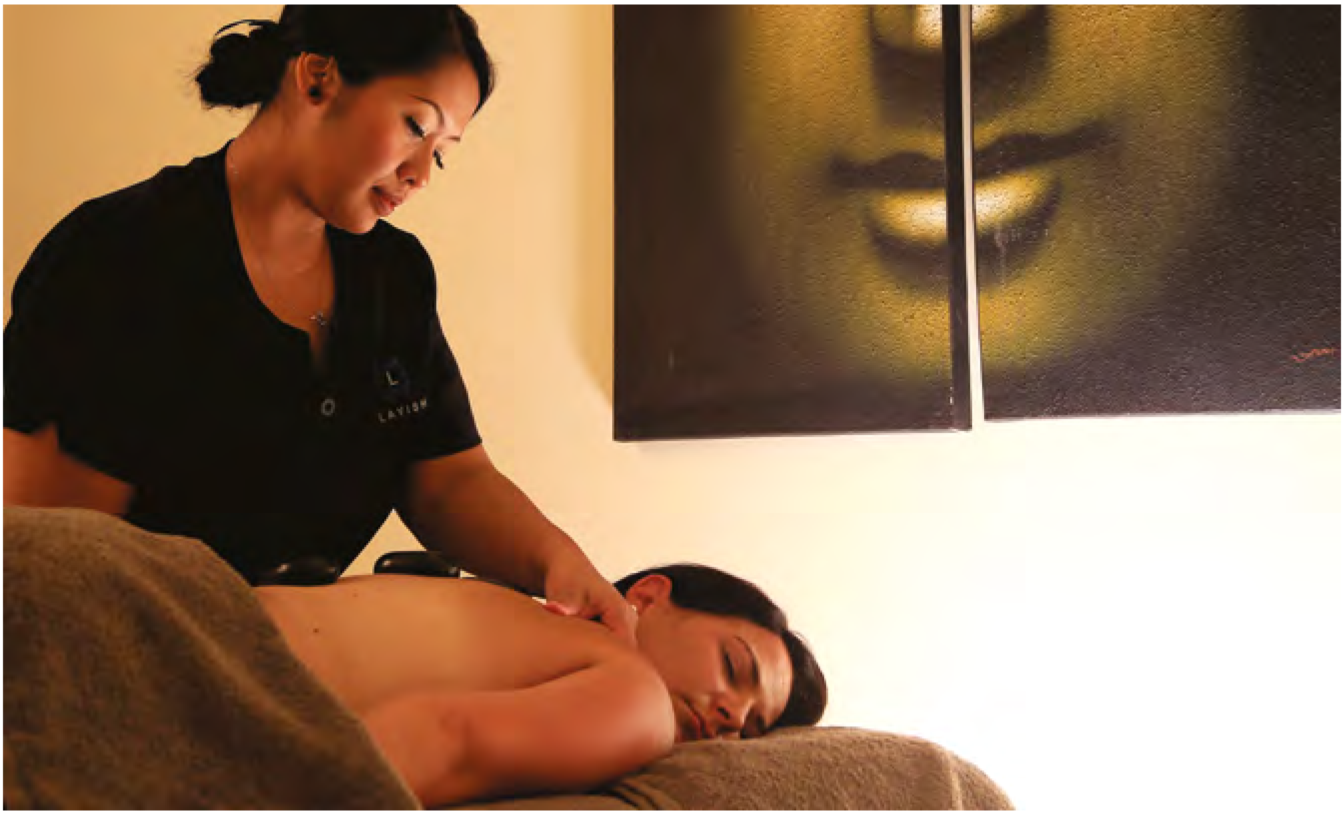
PRINCIPAL BANKERS

National Australia Bank Limited
Level 10, 22 - 28 King William Street
Adelaide SA 5000, Australia

CIMB Bank Berhad
50 Raffles Place, #09-01
Singapore Land Tower
Singapore 048623

Malayan Banking Berhad
1st Floor, Menara Maybank
100 Jalan Tun Perak
50050 Kuala Lumpur, Malaysia

Affin Bank Berhad
14th Floor, Menara Affin
80 Jalan Raja Chulan
50200 Kuala Lumpur, Malaysia



BOARD OF DIRECTORS

Dato' Jaya was appointed as a Director of the Company with effect from 26 February 2004 and assumed the position of Executive Chairman on 1 September 2005. On 31 October 2020, Dato' Jaya was re-designated to Non-Executive Chairman.

Dato' Jaya graduated from the University of Arizona and is a Mechanical Engineer by training. He has extensive experience in forestry, property development, food retail operations, trading and financial services. He has served as Chairman of several companies quoted on the stock exchanges of Malaysia, United Kingdom, Singapore, Australia and India.

Currently, Dato' Jaya is the Executive Chairman of Envictus International Holdings Limited, a company listed on the Singapore Stock Exchange ("SGX"). Dato' Jaya is the Vice Chairman of Park Hyatt Saigon, a 259-room 5-star hotel in Ho Chi Minh City, Vietnam and is also involved in gaming business in Papua New Guinea.

Dato' Jaya was re-elected as Director at the last Annual General Meeting ("AGM") held in October 2020. He is the brother of Dato' Kamal Y P Tan and uncle of Mr Tan San Chuan.

Dato' Jaya J B Tan

Non-Executive Chairman

Dato' Kamal Y P Tan

Non-Executive Director
Member of Audit, Remuneration and Nominating Committees

Dato' Kamal was appointed as a Director of the Company on 26 February 2004. He is an Economics graduate from the London School of Economics. He became an Executive Director from 3 April 2008 and was re-designated to Non-Executive Director on 31 December 2014.

Dato' Kamal has previously held board positions with companies listed on the stock exchanges in Malaysia, Singapore, Australia, United Kingdom and India.

Currently, Dato' Kamal is the Non-Executive Director and Adviser of Envictus International Holdings Limited. He is also a Non-Executive Director of ES Ceramics Technology Bhd, a company which is listed on the Bursa Malaysia Securities Berhad.

Dato' Kamal is a Board member of Park Hyatt Saigon, a 259-room 5-star hotel in Ho Chi Minh City, Vietnam and is also involved in gaming business in Papua New Guinea.

Dato' Kamal will be retiring as a Director at the forthcoming AGM and offers himself for re-election. He is the brother of Dato' Jaya J B Tan and uncle of Mr Tan San Chuan.

BOARD OF DIRECTORS

Mr Tan was appointed as a Director of the Company on 15 September 2005. He is an Accounting and Finance graduate from the London School of Economics and is currently a member of the Association of Chartered Certified Accountants and the Malaysian Institute of Accountants. Mr Tan was appointed as the Executive Director on 3 October 2007 and was re-designated to Non-Executive Director on 25 October 2018.

Prior to joining the Group, he was employed by KPMG and has gained experience in auditing. Mr Tan has also worked in a merchant bank in Malaysia in which he gained some experience in corporate finance through his involvement in mergers and acquisitions and corporate restructuring exercises.

Mr Tan is a Board member of Park Hyatt Saigon, a 259-room 5-star hotel in Ho Chi Minh City, Vietnam.

Mr Tan was re-elected as Director at the AGM held in 2019. He is the nephew of Dato' Jaya J B Tan and Dato' Kamal Y P Tan.

Tan San Chuan

Non-Executive Director

Tan Sri Kuan Peng Ching @ Kuan Peng Soon

Independent Director
Chairman of Nominating Committee,
Member of Remuneration and Audit Committees

Tan Sri Kuan Peng Ching @ Kuan Peng Soon was appointed as a Non-Executive Director of the Company on 27 February 2004 and was re-designated as Independent Director on 26 August 2010. He is a qualified Electrical Engineer graduated from Adelaide University, South Australia. He is a member of Institution of Engineers, Malaysia.

Tan Sri Kuan is the Deputy Chairman of Star Media Group Bhd and Fajarbaru Builder Group Bhd, both of which are listed on the Bursa Malaysia Securities Berhad.

Tan Sri Kuan was re-elected as a Director at the AGM held in October 2020. Having served the Board for more than nine years, Tan Sri Kuan will seek for continued appointment as Independent Director pursuant to Rule 406(3)(d)(iii) of the Catalist Rules at the forthcoming AGM.

Mr Teo Chee Seng was appointed as a Director of the Company on 26 February 2004. He holds a Bachelor of Laws (Hons) degree from the University of Singapore and is a lawyer in the Singapore private practice for more than 30 years.

Apart from the present directorship of the Company, Mr Teo is the Independent Director of Envictus International Holdings Limited and Soilbuild Construction Group Ltd, companies listed on the Singapore Stock Exchange, United Overseas Australia Ltd, which is listed on both Singapore and Australia stock exchanges and UOA Development Bhd, a company listed on the Bursa Malaysia.

Mr Teo will retire as a Director at the forthcoming AGM and will offer himself for re-election. Having served more than nine years, Mr Teo will seek for continued appointment as Independent Director pursuant to Rule 406(3)(d)(iii) of the Catalist Rules at the forthcoming AGM.

Teo Chee Seng

Independent Director
Chairman of Audit and Remuneration Committees,
Member of Nominating Committee

KEY MANAGEMENT

Datuk Paul Wong Baan Chun, J.P.

Chief Executive Officer
Lasseters International Holdings Limited

Datuk Paul Wong joined the Company as the Chief Financial Officer upon its listing on 24 May 2004 and was promoted to the position of Chief Executive Officer on 1 November 2013. He is a Fellow of the Association of Chartered Certified Accountants since 1994 and his professional background revolves around finance, treasury and corporate work with an international practice.

Prior to joining the Group, Datuk Paul has held various key financial positions in public companies listed on the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia), involved in investment holding, real estate and property development, stock broking, manufacturing and trading.

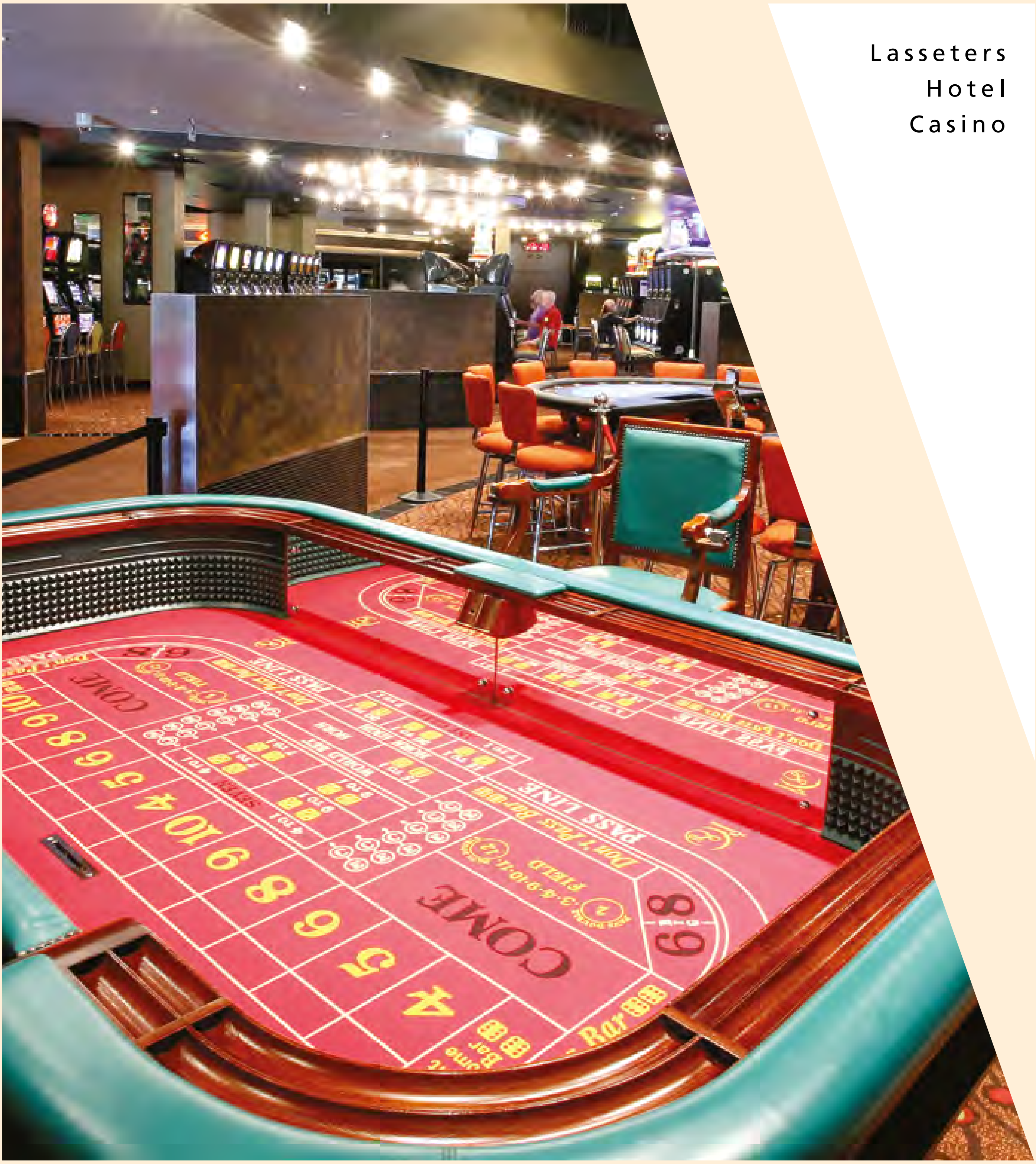
Craig Jervis

Chief Operating Officer
Lasseters Hotel Casino

Mr Craig Jervis was appointed to the role in October 2014 after being with the company for 8 years in the non-gaming division, bringing over 20 years of hospitality experience. He brings a solid business development approach and has a strong understanding of Australian tourism industry and local Alice Springs market.

Mr Jervis holds B.A. Hospitality & Tourism Management, Advance Diploma in Hotel Management and Diploma of Adult Tertiary Teaching. His community and professional involvement includes sitting on the Board of The Australian Hotel Associations (NT), Australian Tourism Export Council (NT) committee member, member of the Alice Springs Major Business Group, Chairman of the Central Australia Liquor Accord and NT Representative to the National Accommodation Division of Australia Hotel Association.

Lasseters
Hotel
Casino



ENTERTAINMENT

Lasseters Hotel Casino houses an international standard casino fully furnished with table games and gaming machines complemented by a comprehensive range of theme food & beverages outlets, executive gym and health club and other well-equipped amenities.

NOTES TO SHAREHOLDERS

Dear Fellow Shareholders,

We are pleased to present to you our annual report for the 12 months ended 30 June 2021. The COVID-19 pandemic which required governments to implement measures, such as border closures and national lockdowns have had a devastating impact on people, businesses, and economies globally. At Lasseters, we have done our best under these challenging circumstances and have managed to achieve a turnaround through diligent cost management, prudent risk management, as well as initiatives offered by the Government.

Revenue
46.4
AUD million

Net Asset Value
30.5
AUD million

NOTES TO SHAREHOLDERS

Financial Review

In this reporting year ended 30 June 2021 ("FY2021"), the Group registered a net profit of AUD6.6 million against a loss of AUD6.8 million in the previous financial year ("FY2020"), on the back of a revenue increase to AUD46.4 million as compared to AUD36.2 million in FY2020. The Group's hotel and casino operations in Alice Springs continues to be the Group's main revenue driver, contributing 99.4% or AUD46.1 million of total revenue.

This turnaround was due to a combination of factors, primarily increased revenue from the gaming sector benefiting from a surge of demand after the government mandated restrictions during the pandemic; the Australian government's stimulus measures on wage subsidies as well as an active enhancement programme for all gaming operations; the expansion of its loyalty programme along with other tourism initiatives drew more local patrons to the Group's land-based hotel and casino operations in Alice Springs, all of which have had a positive impact to the gaming industry. As a result, the gaming sector recorded a significant increase of 54.2% in revenue.

The Group's non-gaming sector within the casino segment however, remains affected by the COVID-19 pandemic due to on-going travel restrictions. However, bolstered by the commitment and support from the government to help revive the local tourism industry, the sector registered a 12.3% increase in revenue towards the second half of FY2021.

Consequently, our cost management efforts, has reduced our total operating expenses during this period by 3.1% to AUD37.7 million as compared to AUD38.9 million in FY2020, which further aided in the Group's turnaround. Finance costs fell by 29.2% or AUD1.1 million due to the repayment of bank borrowings as well as the Group's efforts to restructure its cost of funds which has decreased in line with lower interest rates. Additionally, the Group's cash flow position has remained strong, while cash and cash equivalents stood at AUD5.3 million compared to AUD0.2 million last year.

Business Outlook and Plans

While there is still no end in sight to the global COVID-19 pandemic, the Group has nevertheless continuously worked to rationalise and streamline its business by consolidating and realigning its resources as it announced the disposal of its casino assets which comprise its freehold land and property, the casino, hotel, convention centre, F&B, health club businesses, and non-real property business assets, completion of which is expected on or before end of the year 2021.

With the Lasseters Hotel Casino ("LHC") as the only remaining operating entity and asset, the Group finds that operating a single asset in a remote location, challenging with diminishing economies of scale a real possibility. The uncertainty of the pandemic has also posed further challenges and risk thereby making the sustainability of maintaining the record performance of LHC's gaming sector difficult as stimulus measures begin to dwindle down, causing exceptional profits to normalise.

The proposed disposal will allow the Group to shift the attention to its investments in Malaysia, where it can focus on property management and development and as well its hospitality business. We will continue leveraging on the broad experience of our Board and management to seek out opportunities that further enhance shareholders' value.

Earlier this year, the Malaysian government announced a four-phase National Recovery Plan (NRP) with the expectation to return to normalcy towards the end of 2021, where the Malaysian government expects COVID-19 to be endemic within the country.

The Group's joint venture in Malaysia to develop, own and operate a 229-key 4-star Mercure hotel under the Accor group has been physically completed, with a soft-opening of the property to take place towards the end of the year.

Appreciation

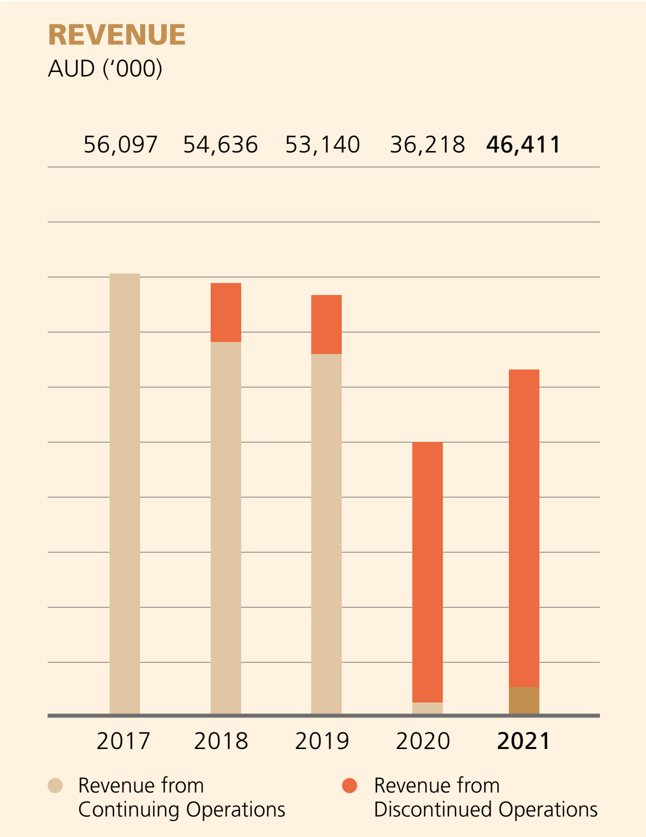
In closing, the Board and I would like to thank all who have contributed to the performance of the Group. We are grateful for the support from the various regulatory authorities, our business partners and associates, our bankers, as well as suppliers and customers, of course not forgetting the dedication of our workforce, which has been key in developing Lasseters into the company it is today and achieving profitability especially so during these challenging times.

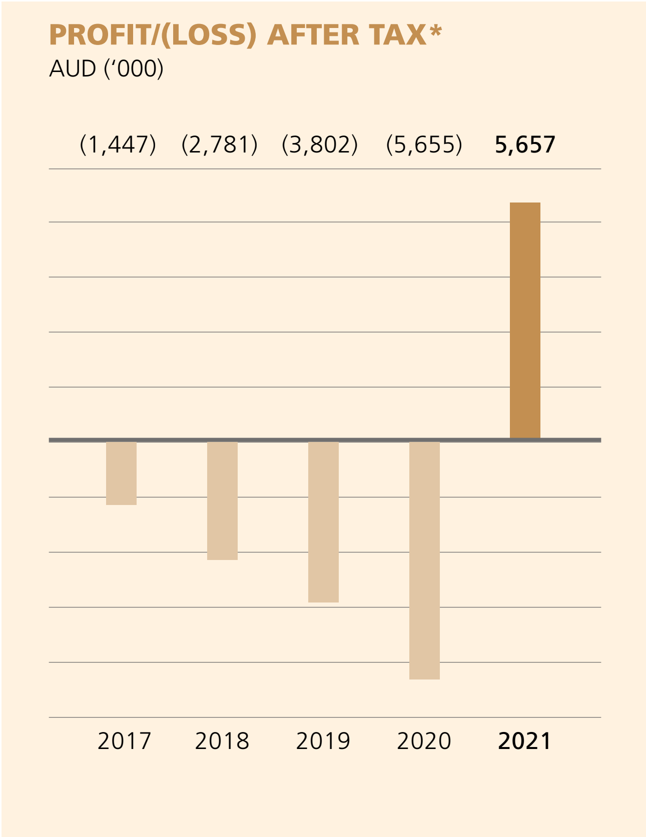
I also want to thank my fellow Directors on the Board for their counsel and guidance throughout these exceptional circumstances.

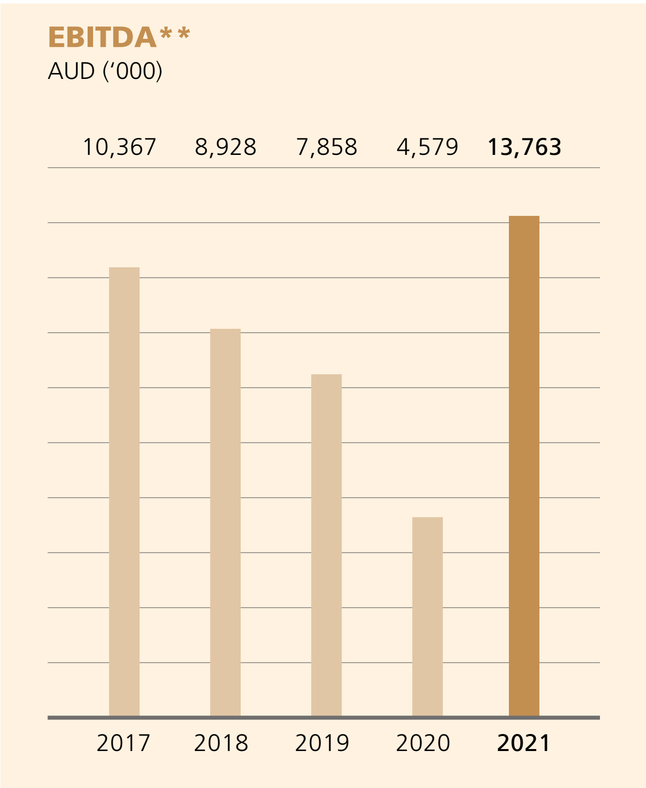
Lastly, I would like to express my sincere thanks and gratitude to our valued shareholders, for your confidence in us and your steadfast support. We will continue to devote all our energy to ensure Lasseters realises its full potential as we navigate through these trying times.

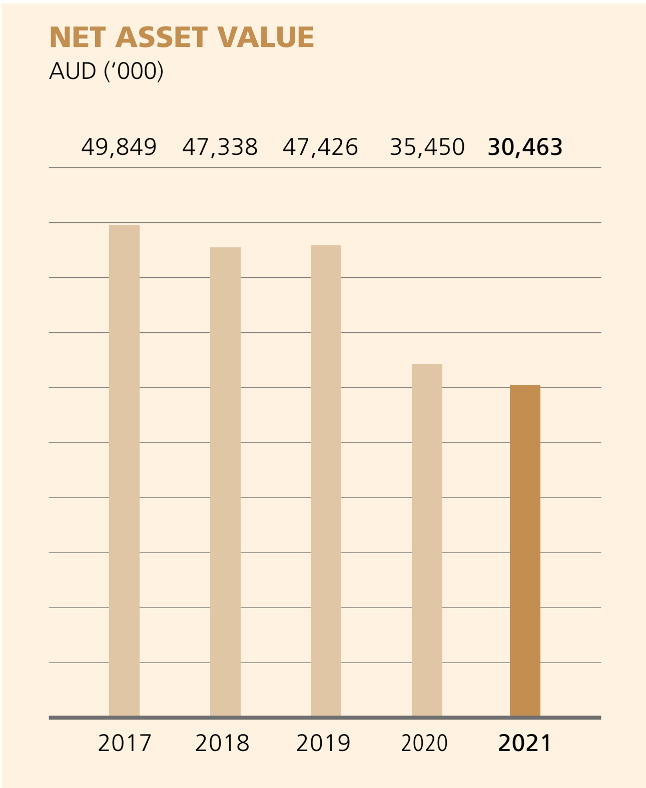
Dato' Jaya J B Tan
Non-Executive Chairman

FINANCIAL HIGHLIGHTS









* Profit/(Loss) after tax excludes impairment of assets, (gain)/loss on disposal of assets and businesses, and net gain on modification of lease term

** EBITDA includes EBITDA from discontinued operations, excludes share of losses of joint venture, impairment of assets, (gain)/loss on disposal of assets and businesses, and net gain on modification of lease term

REVIEW OF OPERATIONS

Crowne Plaza Alice Springs Lasseters ("CPASL") and Lasseters Casino ("LC"), collectively known as Lasseters Hotel Casino ("LHC"), Australia

The Group's land-based hotel and casino property in Alice Springs, Northern Territory ("NT") – Crowne Plaza Alice Springs Lasseters and Lasseters Casino – remains an iconic integrated resort in Central Australia and the main revenue driver of the Group.

To maximise and uplift its asset potential, CPASL was rebranded under the InterContinental Hotels Group ("IHG") umbrella into a 4.5-star Crowne Plaza property in December 2016. An extensive AUD6.5 million room refurbishment programme to upgrade and modernise its facilities was completed in March 2018. In FY2021, CPASL enjoyed record Average Daily Rate (ADR) with several properties offline and booked reasonable occupancy amidst the pandemic. In 2020, the Brolga NT Tourism Awards did not proceed due to pandemic restrictions, prior to that however, CPASL has claimed the award for Best Deluxe Accommodation for seven consecutive years since 2013, a testament to its excellent hospitality and service.

In efforts to obtain a larger market share, CPASL has also leveraged on the strong alliance between Lasseters and IHG, by tapping into the Meetings, Incentives, Conventions and Exhibitions ("MICE") markets.

With its cutting-edge gaming products, sports lounge, VIP gaming lounge, and TAB facilities, LC continues to be a primary destination for entertainment in Central Australia by offering a unique and complete gaming experience for its customers.

Post pandemic-related closures in March 2020, and following government stimulus, reduced travel, and the overall increasing emphasis on the value of entertainment, the casino performed exceptionally well and continues to improve and build on its membership base through its loyalty programme.

Operational Review

LHC continues to be the pillar of the Group's revenue, contributing 99.4%, or AUD46.1 million, of the Group's total revenue for the financial year ended 30 June 2021 ("FY2021").

During the reporting period, LHC had a record performing year, with top-line coming in at AUD46.1 million compared to AUD34.9 million in FY2020. The stellar performance was largely due to the positive strategies that were implemented by the government to minimise the impact of the pandemic on the economy. These initiatives – such as the JobKeeper wage subsidy, JobSeeker income support, hospitality and tourism vouchers – along with reduced travelling, led to a 54.2% and 12.3% increase in revenue in LHC's gaming and non-gaming sector respectively. Enhanced gaming offerings with new machines and facilities, as well as the expansion of the loyalty programme resulted in a higher gaming market share for LHC. Bottom-line (excluding exceptional item and management fee) came in at a profit before tax of AUD9.2 million as compared to a pre-tax loss of AUD1.8 million in FY2020.

In FY2021, depreciation and amortisation charges decreased by AUD1.9 million or 27.8% due to the ceased depreciation in April after classifying non-current assets as 'held for sale'. Furthermore, operating expenses have been successfully contained with a marginal increase between 4.9% to 6.2% despite the leap in revenue. Employee benefits expenses decreased marginally by 0.8% due to LHC's efforts to streamline its workforce to match the lower manpower needs of the non-gaming hospitality sector and the shortage of manpower, reflecting successful efforts in cost management and in dealing with the on-going effects of COVID-19.

Government stimulus such as the JobKeeper wage subsidy of approximately AUD0.8 million has also lifted LHC's bottom-line in FY2021.

Gaming tax increased by AUD1.7 million or 69.3% in tandem with the higher gaming turnover.

LHC has also actively and prudently structured its finance costs to cost of funds which has decreased in line with lower interest rate benchmarks globally, resulting in a decrease in finance costs by AUD0.6 million or 25.4%.

Outlook

As the COVID-19 pandemic wears on, its continuous impact is still felt in every region and industry globally. The overall disruption to global economic activity has persisted and most have come to accept that the current situation and

REVIEW OF OPERATIONS

practices are here to stay for the foreseeable future. With most countries still battling the on-going effects of the pandemic, precautionary and control measures such as border control, city and regional lockdowns have remained in place within Australia as well. As a result, CPASL and the Convention Centre remains affected and a slow recovery to normalcy is anticipated.

While the Australian government has committed AUD291 billion in direct support, namely grants and stimulus measures, for individuals, households, and businesses, the country's overall outlook remains uncertain, which has led the Reserve Bank of Australia to keep their cash rate at a record low of 0.1% to support growth and boost the economy.

The NT government has been supportive with financial incentives such as the Tourism Voucher programme to entice local and domestic spending which has assisted in the recovery of the hotel, F&B sector, as well as the commercial gym which has performed beyond expectations and is back on track to pre-pandemic levels.

That said, in light of the fluid situation and taking into consideration that the record performance of the gaming sector is expected to normalise as stimulus measures dwindle, on 19 April 2021, the Group entered into three interdependent sale and purchase contracts with Alice Springs Casino Property Pty Ltd and Alice Springs Casino Operations Pty Ltd for the proposed disposal of the freehold land and property, and improvements of LHC, as well as the proposed disposal of the casino, hotel, convention centre, F&B, health club businesses and non-real property business assets of LHC. Barring any unforeseen circumstances, completion of the proposed disposal is expected within calendar year 2021.

Cypress Lakes Group Pty Limited ("CLGL"), Australia

In September 2020, The Golden Door Pty Limited, a subsidiary of the Group which operates a gym and spa in Queensland, surrendered its long-term lease prematurely back to its landlord on mutual agreement.

In efforts to streamline its operations and to further unlock shareholder value, the Group successfully disposed its spa and wellness asset under The Golden Door Health Retreat – Elysia Pty Limited ("TGDE") in Hunter Valley for AUD5.0 million, or 8.1% higher than its book value of AUD4.6 million in July 2019.

In December 2020, TGDE and The Golden Door Trademarks were sold at the consideration of 10% of the purchaser's future revenue generated from the use of the Trademarks that is derived from TGDE's database of contacts who participates in the purchaser's health and wellness programmes.

As TGDE has been dormant since the disposal of its business assets in 2019 and remains in a negative net asset position, the Group has taken these calculated steps to mitigate recurring losses suffered over the past few years and sees this as a revenue making opportunity.

Development undertaken in Malaysia

Malaysia continues to play an important role as one of the Group's core markets, as it continues to explore new business opportunities in the hospitality and property development sectors.

The proposed disposal of the LHC's casino assets will allow the Group to focus and realign its investment geographically in Malaysia whilst reassessing regional opportunities again at the appropriate time, concentrate on property management and development, and leverage on the broad experience of the Board and management to seek out greater opportunities.

The Group's joint venture in Malaysia to develop, own and operate a 229-key 4-star Mercure hotel under the world-renowned Accor group has been physically completed. Assuming the government's COVID-19 recovery plan rolls out efficiently, the Group expects a soft-opening towards the end of 2021. We are confident that our new addition, managed under a reputable global brand with a deep expertise and understanding of the hospitality industry, will provide a new source of revenue and earnings growth for the Group, enabling us to generate long-term value for shareholders.

The hotel is located in a vibrant 21.7-acre metropolis that integrates commercial, retail and residential developments, as well as the UOW Malaysia KDU University College.

Crowne
Plaza
Alice
Springs
Lasseters

HEALTHIER WAY OF LIVING

An award winning 4.5 star hotel with themed restaurants and bars, our establishment boasts 205 rooms and suites overseeing the nearby 18-hole Alice Springs Golf Club.

CORPORATE GOVERNANCE

The Directors and Management of Lasseters International Holdings Limited ("Lasseters" or the "Company") and its subsidiaries (collectively with the Company, the "Group") are committed to maintain high standards of corporate governance in order to protect the interests of its shareholders as well as enhance corporate performance and business sustainability. It has put in place practices in accordance with the principles and guidelines set out in the Code of Corporate Governance 2018 (the "Code"). The following outlines the corporate governance principles applied by the Company with specific references to the Code. Where there is any material deviation from the provisions of the Code, an explanation has been provided within this report.

BOARD MATTERS

PRINCIPLE 1

The company is headed by an effective Board which is collectively responsible and works with Management for the long term success of the Company.

Provision 1.1

Board's Role

The primary function of the Board of Directors (the "Board" or the "Directors") is to provide entrepreneurial leadership and direction to enhance the long-term value and returns for its shareholders. The Board oversees the business affairs of the Group and has the overall responsibility for reviewing the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investments proposals, financial performance reviews and corporate governance practices.

Besides carrying out its statutory responsibilities, the Board's role includes:-

1. providing entrepreneurial leadership and guidance on the overall long-term strategic plans and performance objectives as well as operational initiatives and to ensure that the necessary financial and human resources are in place to meet its objectives;
2. overseeing the business affairs of the Company and reviewing the performance of the Chief Executive Officer (the "CEO") and senior management executives and ensuring that they are appropriately remunerated;
3. reviewing and evaluating the adequacy and effectiveness of the Group's risk management, internal control systems, financial reporting and compliance, operational compliance and information technology controls;
4. reviewing and approving key operational and business initiatives, major funding proposals, significant investment and divestment proposals, corporate or financial restructuring, share issuance and dividends, the Group's annual budgets and capital expenditure, the Group's operating and financial performance, risk management processes and systems, human resource requirements, half-year and full-year financial results and other corporation actions;
5. setting the Company's values and standards and ensure that obligations to shareholders and other stakeholders are understood and duly met;
6. considering sustainability issues such as environmental and social factors as part of its strategic formulation; and
7. providing the Management with advice on issues raised and at the same time monitors the performance of the Management.

CORPORATE GOVERNANCE

Provision 1.2

Directors' Duties and Responsibilities

All Directors exercise due diligence and independent judgement in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group, safeguarding shareholders' interest and the Group's assets. The Directors act objectively in the best interest of the Company and hold Management accountable for performance. Decisions are made objectively in the Group at all times. Any Director facing conflicts of interest will recuse himself from discussions involving the issues of conflict.

Continuous Training and Development of Directors

The Board is briefed on recent changes on the accounting standards and regulatory updates. The CEO updates the Board at each meeting on business and strategic developments of the Group. As part of the Company's continuing education for Directors, Directors are provided with articles, reports and press releases relevant to the Group's business to keep them updated on current industry trends and issues.

The Group conducts an orientation briefing to provide newly appointed Directors with a better understanding of the Group's business activities, strategic direction and policies, key business risks, governance practices and the Group's culture to enable them to integrate into their new roles. Upon the appointment of each Director, the Company would provide a formal letter to the Director setting out the Director's roles, obligations, duties and responsibilities as a member of the Board. Newly appointed Directors are briefed on the Company's business operations, strategic directions, group structure, policies and corporate governance practices. They are introduced to key management personnel and provided with essential information about the Company. In addition, first time Directors who have no prior experience as a director of a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") will also undergo training in the roles and responsibilities of a director of a listed company as prescribed by the SGX-ST pursuant to Rule 406(3)(a) of the SGX-ST Listing Manual Section B: Rules of Catalist ("Catalist Rules"). No new Director was appointed during the year under review.

The Directors are encouraged, on the Company's expense, to attend appropriate training, conferences and seminars for them to stay abreast of relevant business developments and outlook.

No external training was attended by the Directors in FY2021.

Provision 1.3

Internal Guidelines on Matters Requiring Board Approval

The Group has adopted a set of guidelines setting forth matters that require the Board's approval. The types of transactions that require the Board's approval, among others, include:-

1. Announcements of the half-year and full-year results;
2. Audited Financial Statements;
3. Convening of shareholders' meetings;
4. Declaration of interim dividends and proposal of final dividends;
5. Acceptance of financial facilities and issuance of corporate guarantee;
6. Annual operating and capital budgets;
7. Approval of material acquisition and disposal of assets; and
8. Interested person transactions.

CORPORATE GOVERNANCE

Provision 1.4

Delegation of Authority to Board Committees

Board Committees comprising the Audit Committee (the "AC"), Nominating Committee (the "NC") and Remuneration Committee (the "RC") which were constituted with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board, were established to assist the Board in the discharge of its duties. These Committees review and decide or make recommendations to the Board on matters within their specific terms of reference. The Board accepts that while the Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

The present Board Committee members are as follows:-

Director	Audit Committee	Nominating Committee	Remuneration Committee
Teo Chee Seng	Chairman	Member	Chairman
Tan Sri Kuan Peng Ching @ Kuan Peng Soon	Member	Chairman	Member
Dato' Kamal Y P Tan	Member	Member	Member

Note:
Dato' Jaya J B Tan resigned as member of the Nominating Committee on 31 October 2020.

Provision 1.5

Meetings of Board and Board Committees

The dates of the Board and board committee meetings are scheduled in advance to assist the directors in planning their attendance. The Board meets at least three times a year and as warranted by particular circumstances. Ad-hoc meetings are also convened to deliberate on urgent and substantive matters. Telephone attendance and conference via audio-visual communication at Board and board committee meetings are allowed under the Company's constitution. Board decisions may also be made by way of circulating resolutions.

The attendance of the directors at meetings of the Board and Board committees is as follows:-

	Board	Audit Committee	Remuneration Committee	Nominating Committee
No. of meetings held in FY2021	3	2	1	1
Number of meetings attended				
Dato' Jaya J B Tan	3	n/a	n/a	1
Dato' Kamal Y P Tan	3	2	1	1
Tan San Chuan	3	n/a	n/a	n/a
Tan Sri Kuan Peng Ching @ Kuan Peng Soon	3	2	1	1
Teo Chee Seng	3	2	1	1

Note:
n/a - not applicable as director is not a member of the committee.
Dato' Jaya J B Tan resigned as member of the Nominating Committee on 31 October 2020.

CORPORATE GOVERNANCE

Provision 1.6

Board's Access to Information

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decision and discharge their duties and responsibilities. Before each Board and Board Committee meeting, Management will provide the Directors with the agenda and the meeting materials relating to matters to be discussed during the meeting. Such meeting materials may include financial statements, forecasts, disclosure documents and industry information. This is to allow the Directors some time to better understand the matters and to deliberate over any issues. Directors are entitled to request for additional information and explanations from Management and such information shall be provided in a timely manner.

Provision 1.7

Board's Access to Management, Company Secretary and External Advisers

The Board has separate and independent access to the Company's senior management and the Company Secretaries. At least one of the Company Secretaries attends the Board and Board committee meetings and is responsible for ensuring that board procedures are followed in accordance with the constitution of the Company, and that applicable rules and regulations are complied with. The appointment and removal of the Company Secretary are subject to the Board's approval.

The Board collectively and each Director individually has the right to seek independent, legal and other professional advice at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil their duties and responsibilities as Directors. Such cost for professional advice will be borne by the Company.

BOARD COMPOSITION AND GUIDANCE

PRINCIPLE 2

The Board has an appropriate level of independence and diversity of thought and background on its composition to enable it to make decisions in the best interests of the company.

Provision 2.1

Strong and independent element on the Board, with independent directors making at least one-third of the Board.

The Board currently comprises five members, comprising one Non-Executive Chairman, two Non-Executive Directors and two Independent Directors. The Board is made up by all Non-Executive Directors.

Name	Age	Date of first appointment	Date of last re-election	Designation
Dato' Jaya J B Tan	73	26.2.2004	28.10.2020	Non-Executive Chairman
Dato' Kamal Y P Tan	69	26.2.2004	25.10.2018	Non-Executive Director
Tan San Chuan	40	15.9.2005	25.10.2019	Non-Executive Director
Tan Sri Kuan Peng Ching @ Kuan Peng Soon	75	27.2.2004	28.10.2020	Independent Director
Teo Chee Seng	67	26.2.2004	25.10.2019	Independent Director

Note:
Dato' Jaya J B Tan was re-designated from Executive Chairman to Non-Executive Chairman on 31 October 2020.

CORPORATE GOVERNANCE

The independence of each Director is reviewed annually by the NC and the Board. Each Independent Director is required to complete a declaration form annually to confirm his independence. The NC deliberates the independence of the Directors against a checklist and determines whether the Directors are independent in conduct, character and judgement, having regard to the circumstances set forth in Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules. The Independent Directors do not fall under the circumstances of Rule 406(3)(d) as they were not employed by the Company or any of its related corporations for the current or any of the past three financial years and they do not have an immediate family member who is, or has been in any of the past in the current three financial years, employed by the Company or its related corporations and whose remuneration is determined by the Remuneration Committee.

In addition, neither the Independent Directors nor their immediate family members, in the current or immediate past financial year, provided or received from the Company or its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services) for payments aggregated in excess of S$50,000 other than compensation for board service. Neither the Independent Directors nor their immediate family members, in the current or immediate past financial year, is or was, a substantial shareholder or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organization which provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services) in excess of S$200,000.

The Independent Directors of the Company have confirmed their independence and that they do not have any relationship with the Company, its related corporation, its substantial shareholders or its officers that could interfere or be reasonable perceived to interfere with the exercise of their independent judgement.

Provision 2.2 and 2.3

Composition of Independent Directors and Non-Executive Directors on Board

The number of independent directors represents more than one third of the Board and majority of the Board comprises non-executive Directors.

The Company's Non-Executive Chairman is not independent. Pursuant to the Code, the Company has not complied with the requirement for independent Directors to make up a majority of the Board.

The Company has departed from the compliance of the Code and the following are the explanations for departure:-

1. The current Board composition is appropriate for the Company's size, operations and future direction and includes an appropriate mix of skills and expertise, relevant to the Company's business and level of operations;
2. The Board has been structured such that its composition and size will enable it to effectively discharge its responsibilities and duties;
3. The Board considers that its structure is, and will continue to be, appropriate in the context of the Company's recent history. The Company considers that the non-independent Directors possess the skills and experience suitable for building the Company; and
4. Furthermore, the Board considers that in the current phase of the Company's growth, the Company's shareholders are better served by Directors who have a vested interest in the Company.

The Company will work towards achieving a Board where Independent Directors made up majority of the Directors. The Board will put in place processes for the selection of suitable candidates to be appointed as Independent Directors to the Board. This process will be led by the NC taking into consideration that an effective and cohesive board requires the right balance of industry knowledge, experience, core competencies, skills and professional qualifications, as well as diversity of perspectives.

Where there is resignation or retirement of an existing director, the NC will re-evaluate the Board composition to assess the competencies for the replacement.

CORPORATE GOVERNANCE

Candidates are first sourced through a network of contacts and identified based on the established criteria. Recommendations from directors and management are the usual source for potential candidates. Where applicable, search through external search consultants can be considered.

The NC will shortlist candidates and conduct formal interviews with each of them to assess their suitability and to verify that the candidates are aware of the expectations and the level of commitment required. Finally, the NC will make recommendations on the appointment(s) to the Board for approval.

Provision 2.4

Composition and Size of the Board

The Board's policy in identifying director candidates is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. Each year, NC reviews the size and composition of the Board and Board committees and the skills and core-competencies of its members to ensure an appropriate balance of skills and experience. These competencies include business acumen, legal, accounting and finance, management experience, industry knowledge, strategic planning experience, familiarity with regulatory requirements and knowledge of risk management. The Board considers its Directors to possess the necessary competencies and knowledge to lead and govern the Group effectively.

Taking into account the nature and scope of the Group's businesses and the number of Board committees, the Board considers the current board size as appropriate. The Board believes that the current composition and size provides sufficient diversity without interfering with efficient decision-making. The Directors' academic and professional qualifications are presented under the section "Board of Directors" in this annual report.

Provision 2.5

Role of Non-Executive Directors

The non-executive Directors constructively challenge and help develop proposals on strategy and review the performance of the Management in meeting agreed goals and objectives and the reporting of performance. They are encouraged to meet regularly without the presence of the Management. As and when warranted, Non-Executive Directors meet to discuss the Company's affairs without the presence of Management. Thereafter, the chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

PRINCIPLE 3

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 and 3.2

Separate roles of Chairman and Chief Executive Officer

The Chairman and the CEO functions in the Company are assumed by different individuals who are not immediate family members. The Non-Executive Chairman is Dato' Jaya J B Tan and the CEO is Datuk Paul Wong Baan Chun, J.P. There is a clear division of responsibilities between the Chairman and the CEO, which ensures the balance of power and authority at the top of the Company.

CORPORATE GOVERNANCE

The Chairman is responsible for the effective workings of the Board and promoting high standards of corporate governance. He ensures that Board meetings are held when necessary and sets the Board meeting agenda in consultation with other Directors and the key management. He ensures that the directors receive complete, adequately and timely information and reviews Board papers before they are presented to the Board. During the Board meetings, he facilitates effective contributions and constructive discussions on strategic issues and business planning from the executive and non-executive Directors. He plays a pivotal role in fostering constructive dialogue between shareholders, the Board and the Management at AGMs and other shareholders meetings.

The CEO is responsible for the running of the day-to-day business of the Group within the authorities delegated to him by the Board, ensuring implementation of policies and strategy across the Group as set by the Board, ensuring that the Chairman is kept appraised in a timely manner of issues faced by the Group and of any important events and developments, leading the development of the Group's future strategy including identifying and assessing risks and opportunities for the growth of its business, and reviewing the performances of its existing businesses.

Provision 3.3

Lead Independent Director

The Board has consistently demonstrated it is able to exercise independent decision-making and because of this, the Board has not appointed a lead independent director to date. In addition, the independent directors will confer among themselves (when necessary) and provide feedback to the Non-Executive Chairman as appropriate. Notwithstanding this, it may appoint one in the interest of embracing recommended best practices. The Board is of the opinion the role of Dato' Jaya as Non-Executive Chairman of the Company does not affect the independence of the Board.

Both independent directors are available to shareholders when they have concerns and where contact through the normal channels of the Non-Executive Chairman, CEO and Management has failed to resolve such concerns or is inappropriate. Shareholders who wish to contact the Independent Directors to address any queries on the Company's affairs may access to the Company's website at https://www.lasseters-intl.com/contact.html.

PRINCIPLE 4

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2

Nominating Committee

The NC comprises one Non-Executive Director and two Independent Non-Executive Directors, one of whom is also the Chairman of the Committee. The members of the NC are as follows:-

Tan Sri Kuan Peng Ching @ Kuan Peng Soon (Chairman)	Non-Executive, Independent
Teo Chee Seng (Member)	Non-Executive, Independent
Dato' Kamal Y P Tan (Member)	Non-Executive, Non-Independent

The NC has adopted its terms of reference that describes the responsibilities of its members.

CORPORATE GOVERNANCE

The NC performs the following principal functions:-

- Reviews the structure, size and composition of the Board and makes recommendations to the Board;
- Identifies candidates and reviews all nomination for the appointment and re-appointment of members of the Board;
- Determines annually whether or not a Director is independent in accordance with the guidelines of the Code;
- Decides how the Board's performance may be evaluated and proposes objective performance criteria for the Board's approval; and
- Assesses the effectiveness of the Board as a whole, as well as the contribution by each member of the Board.

Provision 4.3

Process for the Selection and Appointment of Directors

The responsibilities of the NC are, among other things, to make recommendations to the Board on all Board appointments, re-appointments and oversee the Board and key management personnel's succession and leadership development plans.

The NC is responsible for identifying candidates and reviewing all nominations for the appointment of new directors. The NC seeks potential candidates widely and beyond directors/management recommendations and is empowered to engage external parties, such as professional search firms, to undertake research on or assessment of candidates as it deems necessary.

The NC decides how the Board should be evaluated and selects a set of performance criteria that is linked to long-term shareholders' value, to be used for performance evaluation of the Board.

The Board has power from time to time and at any time to appoint a person as a Director to fill a casual vacancy or as an addition to the Board. Any new Directors appointed during the year shall only hold office until the next Annual General Meeting ("AGM") and submit themselves for re-election and shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Presently, new Directors are appointed by way of a Board resolution after the NC approves and recommends to the Board for approval, subject to compliance with Lasseters' constitution governing new appointment of Directors. Regulation 90(2) of the Constitution provides that no Director shall be appointed without the consent of the Northern Territory ("NT") Minister. Regulation 90(3) further provides that upon a Director of Lasseters or, if required by a Gaming Authority or a Licence, any of Lasseters' subsidiaries being appointed, there shall be a period of 14 days during which Lasseters shall make an application(s) to the NT Minister for his consent for purposes of Regulation 90(2) above.

Regulation 102 of Lasseters' constitution requires the Managing Director, CEO or President (or person holding an equivalent position) who is a Director to be subject to retirement by rotation.

Regulation 106 of Lasseters' constitution requires one third of the Board to retire by rotation at every AGM. The Directors must present themselves for re-nomination and re-election at regular intervals of at least once every three years.

In reviewing the nomination of the retiring Directors, the NC considered the performance and contribution of each of the retiring Directors, having regard not only to their attendance and participation at Board and Board Committee meetings but also the time and efforts devoted to the Group's business and affairs, especially their operational and technical contributions.

In considering the appointment of any new Director, the NC ensures that the new Director possesses the necessary skills, knowledge and experience that could facilitate the Board in the making of sound and well-considered decisions. For re-appointments, NC takes into account the individual Director's past contributions and performance.

CORPORATE GOVERNANCE

The NC has recommended the nomination of Directors retiring pursuant to the Company's constitution, namely Dato' Kamal Y P Tan and Mr Teo Chee Seng, who will retire and submit themselves for re-election at the forthcoming AGM. The NC is satisfied that Dato' Kamal Y P Tan and Mr Teo Chee Seng are properly qualified for re-election by virtue of their skills, experience, contribution and guidance to the Board's deliberation. For information on Directors seeking re-election, please refer to the "Additional information for Directors Seeking Re-election" section of the Annual Report.

Key information, directorships in other listed companies and other principal commitments of the Directors who held office during the financial year up to the date of this report are disclosed under "Board of Directors" section of the Annual Report.

Provision 4.4

Determining Directors' Independence

The Board also recognizes that independent Directors may over time develop significant insights in the Group's business and operations and can continue to provide significant and valuable contribution objectively to the Board as a whole. When there are such Directors, the Board will do a rigorous review of their continuing contribution and independence and may exercise its discretion to extend the tenures of these Directors.

The independence of each Director is reviewed annually by the NC and the Board. Each Independent Director is required to complete a declaration form annually to confirm his independence. The NC deliberates the independence of the Directors against a checklist and determines whether the Directors are independent in conduct, character and judgement, having regard to the circumstances set forth in Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules.

Independent Directors, Mr Teo Chee Seng and Tan Sri Kuan Peng Ching @ Kuan Peng Soon, do not fall under the circumstances of Rule 406(3)(d) as they were not employed by the Company or any of its related corporations for the current or any of the past three financial years and they do not have an immediate family member who is, or has been in any of the past in the current three financial years, employed by the Company or its related corporations and whose remuneration is determined by the Remuneration Committee.

In addition, the Independent Directors or his immediate family member, in the current or immediate past financial year, did not provide or received from the Company or its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services) for payments aggregated in excess of SGD50,000 other than compensation for board service. The Independent Directors or their immediate family member, did not in the current or immediate past financial year, is or was, a substantial shareholder or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organization which provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services) in excess of SGD200,000.

The Independent Directors have each served on the Board for more than nine years. The NC has conducted a rigorous review of their contributions to the Board to determine if they have maintained their independence. The NC and the Board are satisfied with their continued independence in character and judgement in discharging their responsibilities as Directors of the Company with the utmost commitment to protect and uphold the interests of the Company and all shareholders, not just the substantial shareholders and found no evidence to indicate that the length of service has in any way affected their respective independence.

The Independent Directors have also contributed significantly to the discussion on matters before the Board, which include matters relating to the strategic direction and corporate governance of the Group, expressed individual viewpoints, debated issues, sought clarification as they deemed necessary including direct access to the Management and objectively scrutinized the Management. Having gained in-depth understanding of the business, operating environment and direction of the Group, they provided the Group with much needed experience and knowledge of the industry and offered valuable advice. Both have independent income source apart from the fees received from the Group. Accordingly, the NC, with the concurrence of the Board, is satisfied that both Mr Teo and Tan Sri Kuan have remained independent in their judgement and can continue to discharge their duties objectively.

CORPORATE GOVERNANCE

Rule 406(3)(d)(iii) of the Catalist Rules provides that with effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than 9 years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the directors and the chief executive officer of the issuer and their respective associates (who must not accept appointment as proxies unless specific instructions as to voting are given) ("two-tier voting").

Mr Teo Chee Seng and Tan Sri Kuan Peng Ching @ Kuan Peng Soon are independent directors who as at 1 January 2022 would have served on the Board for an aggregate period of more than 9 years and will cease to be regarded as independent on such date when Rule 406(3)(d)(iii) of the Catalist Rules come into effect on 1 January 2022, unless their continued appointment as independent directors from 1 January 2022 is approved under the two tier voting process as mentioned above. In anticipation of Rule 406(3)(d)(iii) of the Catalist Rules coming into effect from 1 January 2022, the Company is proposing to seek the requisite approval from the shareholders for their continued appointment as independent directors with effect from 1 January 2022.

The two-tier voting in contingent upon each other. If both resolutions are passed, the appointment of the respective independent director shall continue from 1 January 2022 until the earlier of (i) the retirement or resignation of the respective director; or (ii) the conclusion of the third annual general meeting of the Company following the passing of the respective resolutions.

Provision 4.5

Multiple Board Representations

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his/her duties as a Director of the Company. The NC is of the view that there is no current need to determine the maximum number of board representations a Director should have as the NC is satisfied that the Directors have been giving sufficient time and attention to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. Board and Board Committee meetings are scheduled in advance to facilitate the Directors' scheduling of their commitments.

The NC expects commitment of time by a Director to discharge his or her duties. Appointment of alternate directors should be considered only if justified under exceptional circumstances. The Company does not have any alternate director.

BOARD PERFORMANCE

PRINCIPLE 5

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that each of its board committees and individual directors.

Provisions 5.1 and 5.2

Conduct of Board Performance

Criteria for Board Evaluation of Individual Directors

The Board regularly reviews the performance of the Management in meeting agreed goals and objectives and monitors the reporting of performance.

The NC reviews on an annual basis the composition and skills of the Board and determines if it is adequate and appropriate having regard to the nature and scope of the Company's operations and the costs involved.

CORPORATE GOVERNANCE

The NC assesses and makes recommendations to the Board as to whether retiring directors are suitable for re-election.

The NC has conducted a formal assessment of the effectiveness of the Board for the financial year under review. The NC reviewed the Board's performance informally with inputs from the other Board members. The evaluation exercise is carried out annually by way of a Board Assessment Checklist, which is circulated to the Board members for completion and thereafter, for the NC to review and determine the actions required to improve the corporate governance of the Company and the effectiveness of the Board and Board committees as a whole. The performance criteria for the Board/Board Committees evaluation are in respect of size and composition, directors' independence, Board's accountability, board process, internal controls, quality of agenda/board papers, standard of conduct and risk management etc.

The evaluation of the Chairman of the Board is undertaken by the RC and the NC and the results are reviewed by the Board. The assessment of the Chairman of the Board is based on his ability to lead, whether he established procedures to ensure the effective functioning of the Board and that the time devoted to board meetings were appropriate and are conducted in a manner that facilitate open communication and meaningful participation for effective discussion and decision making by the Board.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

PRINCIPLE 6

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2

Remuneration Committee

The RC comprises one Non-Executive Non-Independent Director and two Independent Non-Executive Directors, one of whom is also the chairman of the RC. The members of the RC are as follows:-

Teo Chee Seng (Chairman)	Non-Executive, Independent
Tan Sri Kuan Peng Ching @ Kuan Peng Soon (Member)	Non-Executive, Independent
Dato' Kamal Y P Tan (Member)	Non-Executive, Non-Independent

The role of the RC is to review and recommend remuneration policies and packages for directors and key executives and to disseminate proper information on transparency and accountability to shareholders on issues of remuneration of the executive Directors of the Group and employees related to the executive Directors and controlling shareholders of the Group.

Primary functions performed by the RC:-
- Reviews and recommends to the Board, a framework of remuneration for the Board and key executives taking into account factors such as industry benchmark, the Group's and individual's performance;
- Reviews the level of remuneration that are appropriate to attract, retain and motivate the directors and key executives;
- Ensures adequate disclosure on Directors' remuneration;
- Reviews and recommends to the Board the terms for renewal of Directors' service contracts; and
- Recommends to the Board, the executive share option schemes or any long-term incentive schemes which may be set up from time to time and does all acts necessary in connection therewith.

CORPORATE GOVERNANCE

Provision 6.3

Review of remuneration

The RC's review covers all aspect of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, long-term incentive schemes, including share schemes and benefits in kind. Recommendations are made in consultation with the chairman of the Board and submitted for endorsement by the entire Board. No Director is involved in deciding his own remuneration.

The Company has no share-based compensation scheme or any long-term scheme involving the offer of shares or options in place.

Provision 6.4

Engagement of remuneration consultants

The RC has the authority to seek appropriate external or other independent professional advice in the field of executive compensation as it considers necessary to carry out its duties. During the financial year, the RC did not require the service of an external remuneration consultant.

LEVEL AND MIX OF REMUNERATION

PRINCIPLE 7

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1

Remuneration of Key Management Personnel

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

Provision 7.2

Remuneration of Non-Executive Directors

The Board concurred with the RC that the proposed directors' fees for the year ended 30 June 2021 payable to the Non-Executive Directors is appropriate taking into consideration the level of contributions by the Directors and factors such as effort and time spent on the Board and Board Committees as well as the responsibilities and obligations of the Directors

Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company.

CORPORATE GOVERNANCE

Provision 7.3

Appropriate remuneration to attract, retain and motivate key management personnel and directors

The Company's remuneration policy is structured to attract, retain and motivate Directors and staff to provide good stewardship to the Company, to run and manage the Company effectively and to be risk conscious so as to promote long term success of the Company and to protect the interests of shareholders. The Company adopts a remuneration policy which comprised fixed component in the form of base salary and other fixed allowances and the variable component which comprised bonus which is linked to the Company's and individual's performance.

DISCLOSURE ON REMUNERATION

PRINCIPLE 8

The company is transparent in its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1

Remuneration Report

The breakdown of the level and mix of remuneration of each Director and the CEO for FY2021 are set out below:-

	Salary[1] %	Directors' Fees[2] %	Bonus %	Total Remuneration %
Directors				
SGD250,000 to below SGD500,000				
Dato' Jaya J B Tan[3]	45.9	26.4	27.7	100.0
Below SGD250,000				
Dato' Kamal Y P Tan	-	100.0	-	100.0
Tan San Chuan	-	100.0	-	100.0
Tan Sri Kuan Peng Ching @ Kuan Peng Soon	-	100.0	-	100.0
Teo Chee Seng	-	100.0	-	100.0
CEO				
SGD500,000 to below SGD750,000				
Datuk Paul Wong Baan Chun, J.P.	77.7	-	22.3	100.0

Notes:
(1) Inclusive of benefits in kind, allowances and provident funds/superannuation paid by the Company and/or its subsidiaries, where applicable.
(2) Includes directors' fees received from a subsidiary, where applicable.
(3) Dato' Jaya J B Tan was re-designated from Executive Chairman to Non-Executive Chairman on 31 October 2020.

CORPORATE GOVERNANCE

The Company has not complied with Provision 8.1(a) of the Code which requires the Company to disclose exact details of the remuneration of the CEO due to the competitive pressures in the talent market and as such, maintaining confidentiality on such matters would be in the best interest of the Company.

The Company is not compliant with Provision 8.1(b) of the Code which requires the Company to name and disclose the remuneration of the top five key management personnel (who are not directors or the CEO) in bands of SGD250,000. The Board is of the view that it is not in the interests of the Company to disclose the remuneration of the top five key management personnel (who are not Directors) within the bands of SGD250,000 each, the breakdown of each individual's remuneration and the aggregate total remuneration due to the sensitive and confidential nature of such information and disadvantages that this might bring which among others include group employment sensitivity, potential staff motivational and retention issues.

On the remuneration of the top five key management personnel, there were four of whom are in the less than SGD250,000 band and the remaining one of whom is in between SGD250,000 to SGD500,000 band.

The annual aggregate remuneration paid to the top five Key Management Personnel (excluding directors and CEO) for FY2021 is approximately SGD1,013,000.

There is no termination, retirement and post-employment benefits granted to Directors, the CEO and the top five key management personnel.

The Company does not use any contractual provisions to reclaim incentive components of remuneration from the CEO in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss of the Company.

The Group adopts a process where the executive directors and key management personnel are reviewed and assessed for individual performance against set performance targets. Performance against these targets is a key factor determining their remuneration. On an annual basis, the RC reviews and makes recommendation to the Board for changes relating to the remuneration of the CEO, which includes increment and bonus, and will then submit its recommendation to the Board for approval.

Provision 8.2

Remuneration of Immediate Family Members of Directors or CEO

Except for Dato' Jaya J B Tan whose employment contract with the Group ceased following his re-designation to Non-Executive Chairman on 31 October 2020, there are no employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company and whose remuneration exceeded SGD100,000 during FY2021.

Provision 8.3

Employee Share Scheme

The Company does not have any share option or other share incentive scheme for its employees. The RC has reviewed and is satisfied that the existing remuneration structure for management personnel and executives paid out in cash would continue to be adequate in incentivizing performance without being overly-excessive.

CORPORATE GOVERNANCE

RISK MANAGEMENT AND INTERNAL CONTROLS

PRINCIPLE 9

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests of the company and its subsidiaries.

Provision 9.1

Risk Management and Internal Controls Systems

The Board reviews the risk profile of the Group and ensures that there are robust risk management policies and internal controls in place. The Board has delegated the responsibility for setting the direction of the Group's risk management strategy to the management. The key risks of the Group have been identified within a Group risk framework that has been approved by the Management and the AC.

The Group has established risk management policies, guidelines and control procedures to manage its exposure to risks. Details of the various financial risk factors and the management of such risks are outlined in the financial statements.

It is part of the Board's role to ensure that there are adequate policies for risk management and internal controls and to oversee the effectiveness of the policies in achieving the Group's goals and objectives. The responsibility for implementing appropriate policies and procedures to achieve effective risk management and internal control is delegated to the senior management. The overall framework established by the Management is designed to enhance the soundness of the Group's financial reporting, risk management, compliance and internal control systems which include:-

- processing improvement initiatives undertaken by business units;
- benchmarking against key risk indicators, such as loss reporting, exceptions reporting and management reviews;
- annual formal evaluations by the heads of business units and support functions on the soundness, effectiveness and efficiency of the financial reporting and risk management;
- ensuring compliance and internal control systems in their respective areas of responsibility;
- implementation of formal policies and procedures relating to the delegation of authority;
- involving of experienced and suitably qualified employees to take responsibility for important business functions; and
- segregation of key functions that are deemed incompatible and that may give rise to a risk that errors or irregularities may not be promptly detected.

There is an organisational structure with clearly drawn lines of accountability and delegation of authority. There are documented procedures in place that cover management accounting, financial reporting, investment appraisal, information systems security, compliance and other risk management issues.

The systems that are in place are intended to provide guidance in managing and mitigating the business risks in safeguarding assets, maintenance of proper accounting records, the reliability of financial information, compliance with applicable legislation and best practice, but not absolute assurance against misstatements or losses.

A system of internal controls has been implemented for all companies within the Group. The controls are designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably protected, proper accounting records are maintained and financial information used within the business and for publication is accurate and reliable.

Given the types of business conducted, the Group has to conform to strict guidelines laid down by the governments of NT, New South Wales ("NSW") and Queensland ("QLD") in Australia through specific legislation. Standard operating procedures of casino gaming are well documented in internal control manuals which have been endorsed by the respective governments. The respective governments are allowed to conduct random inspections on the day-to-day operations of the gaming business and to

CORPORATE GOVERNANCE

access the financial status, as well as to conduct checks on the Directors and the Management. The internal accounting controls are reviewed by the Group's present external auditors as part of their audit.

Provision 9.2

Assurance from the Non-Executive Chairman and the CEO

For the financial year under review, the CEO (who also oversees all financial activities of the Group including corporate finance, treasury, accounting, financial reporting, internal control and enterprise risk management) and the Non-Executive Chairman have provided assurance to the Board that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and the system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks.

Board's comment on Adequacy and Effectiveness of Internal Controls and Risk Management Systems

While no system can provide absolute assurance against loss or misstatement, the Management, in designing the controls, had taken into account the business risk, its likelihood of occurrence and the cost of protection. During the financial year, the AC, on behalf of the Board, has reviewed the effectiveness of the various systems in place by the Management and is satisfied that there are adequate internal controls in the Group.

Based on the internal controls established and maintained by the Group, the work performed by the external auditors and the reviews conducted by the Management, the Board, with the concurrence of the AC is of the opinion that the Group's risk management and internal controls systems addressing financial, operational, compliance and information technology risks were adequate and effective as at 30 June 2021.

AUDIT COMMITTEE

Principle 10

The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1 and 10.2

Audit Committee

The AC comprises one Non-Executive Non-Independent Director and two Independent Non-Executive Directors, one of whom is also the chairman of the AC. The members of the AC are as follows:-

Teo Chee Seng (Chairman)	Non-Executive, Independent
Tan Sri Kuan Peng Ching @ Kuan Peng Soon (Member)	Non-Executive, Independent
Dato' Kamal Y P Tan (Member)	Non-Executive, Non-Independent

All members of the AC have recent and relevant accounting or related financial management expertise or experience.

Roles, Responsibilities and Authorities of AC

The principal responsibility of the AC is to assist the Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the Group's material internal controls, including financial, operational, compliance and risk management controls at least once annually, to safeguard the Company's assets and maintain adequate accounting records, with the overall objective of ensuring that the management creates and maintains an effective accounting control in the Group.

CORPORATE GOVERNANCE

The AC has authority to investigate any matter within its terms of reference, gain full access to and co-operation by Management, exercise full discretion to invite any Director or executive officer to attend its meetings, and gain reasonable access to resources to enable it to discharge its function properly.

The AC has undertaken a review of all non-audit services provided by the external auditors and is of the opinion that the provision of such services would not affect the independence of the auditors.

The members of the AC carried out their duties in accordance with the terms of reference which include the follows:-

- review and discuss with external auditors before the audit commences, the nature and scope of the audit to ensure co-ordination where more than one audit firm is involved;
- review audit plans and results of the audit performed by the external auditors and ensure adequacy of the Group's system of accounting controls;
- review the financial statements of the Company and the consolidated financial statements of the Group before their submission to the Board;
- review the announcements of the financial results
- ensure the integrity of the financial statements by reviewing key areas of management judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have an impact on the Group's financial performance;
- review the adequacy of the internal audit function and the effectiveness of the Company's material internal controls;
- review the independence of the external auditors;
- review interested person transactions;
- review the co-operation given by the Management to the external auditors; and
- review the appointment and re-appointment of external and internal auditors of the Company and the audit fees.

The external auditors have full access to the AC who has the express power to conduct or authorise investigations into any matters within its terms of reference. Minutes of the AC meetings will be regularly submitted to the Board for its information.

The AC has reviewed the Group's risk assessment and based on the audit reports and management controls in place is satisfied that there are adequate internal controls in the Group.

Independence of External Auditors

For the year under review, the Group has accrued and paid an aggregate amount of audit and non-audit fees of AUD263,376 comprising audit fees of AUD80,858 to auditors of the Company; and AUD128,766 and AUD53,752 to other auditors for audit fees of the subsidiaries and non-audit fees respectively. In compliance with Rule 1204(6) of the Catalist Rules, the AC confirmed that it has undertaken a review of all non-audit services provided by the auditors and they would not, in the AC's opinion, affect the independence of the auditors.

The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to its Auditors.

The AC has recommended the re-appointment of BDO LLP as auditors for the ensuing year, subject to shareholders' approval at the forthcoming AGM.

The AC is guided by the terms of reference which stipulate its principal functions. The Company will arrange to send its AC members to seminars for updates on Financial Reporting Standards, if required. The external auditors provides regular updates and briefings to the AC on changes or amendments to accounting standards to enable the AC to keep abreast of such changes and its corresponding impact on the financial statements, if any.

CORPORATE GOVERNANCE

Whistle-blowing Policy

The Group is committed to a high standard of ethical conduct and has put in place a whistle-blowing policy, endorsed by the AC. The policy provides mechanism where employees, may in good faith and confidence, raise concerns about dishonesty, fraudulent acts, corruption and improper conduct that may cause financial or non-financial loss to the Group with the assurance that they will be protected from reprisals or victimization for whistleblowing in good faith.

All whistle-blowing cases are to be reported to the Chairman of the AC. The AC will objectively assess, investigate and recommend appropriate remedial actions to be taken, where warranted. It will report to the Board on such matters at Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant government authorities for further investigation or action.

There were no reported incidents pertaining to whistle-blowing during the year under review.

Provision 10.3

Partners or Directors of the Company's Auditing Firm

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporations within a period of two years commencing on the date of their ceasing to be partner of the auditing firm or director of the auditing corporation; in any case, for as long as they have financial interest in the auditing firm or auditing corporation.

Provision 10.4

Internal Audit Function

The Internal Audit Function within the Group is headed by Mr. Allan Duffell who is the Compliance Manager at Lasseters Hotel Casino, the Group's main business unit. He has the ACI Associate Intensive Compliance qualification and is a member of GRC Institute and National Association for Gambling Studies and has more than 10 years relevant experience in compliance and regulatory requirements.

The main role of the internal audit function is to review the effectiveness of the system of internal controls. Internal audits are continuously carried out by designated personnel in the Group who has relevant qualifications and experience, in addition to random inspection by NT, NSW and QLD Governments and also internal accounting control reviews of the subsidiaries by external auditors as part of their audit. They are responsible for ensuring that the Group's operational and financial controls comply with the strict guidelines laid down by the NT, NSW and QLD Governments through specific legislation and support the Audit Committee in its role of assessing the effectiveness of the Group's overall internal control system and assisting in the implementation of a risk management framework.

The internal audit designated personnel carried out its functions according to standards set by internationally recognized professional bodies. The Company's external auditors, BDO, have also provided an independent perspective and analysis on the internal financial control system. Material non-compliance and internal control weaknesses and recommendations for improvements noted during their audit are reported to the AC. The AC has reviewed the effectiveness of the actions taken by the management on the recommendations made by the internal audit and external auditors in this respect.

The internal audit function's primary line of reporting is to the AC Chairman and administratively to the CEO. Notwithstanding Provision 10.4 of the Code which requires the appointment, termination and remuneration of the head of the internal audit function to be decided by the AC, such administrative matters are instead decided by the CEO, with the AC being constantly updated on such matters. The Board is of the view that such arrangement does not affect the objectivity of the internal audit function. The internal audit function has unfettered access to the Group's documents, properties records and personnel of the Company and the Group, including access to the AC.

CORPORATE GOVERNANCE

Adequacy and Effectiveness of Internal Audit Functions

During the financial year, the AC, after carrying out a review, confirmed that the internal audit function is independent, effective and adequately resourced to address operational, financial, compliance risks and technology risks.

Provision 10.5

Meeting with external and internal auditors without presence of Management

The AC holds meeting and/or speaks with the external auditors without the presence of the Management at least once a year to review the scope and results of the audit and its cost effectiveness, as well as the independence and objectivity of the external auditors.

SHAREHOLDERS RIGHTS AND RESPONSIBILITIES

PRINCIPLE 11

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1

Providing Opportunity for Shareholders to Participate and Vote at General Meetings

The Company is committed to treating all shareholders fairly and equitably. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on an accurate and timely basis via SGXNet, in particular, information relating to the Company's business development and financial performance which could have a material impact on the Company's share price so as to enable shareholders to make informed decisions in respect of their investments.

Shareholders have the opportunity to participate effectively in and vote at the general meetings of shareholders. Shareholders are informed of shareholders' meetings, through notices contained in annual reports or circulars sent to all shareholders. The notice is also released via SGXNet and the Company's website.

The Constitution of the Company allows each shareholder to appoint up to two proxies to attend and vote at general meetings on his/her behalf. Pursuant to the Companies Act, members defined as "relevant intermediary" are allowed to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and the Central Provident Fund ("CPF") Board which purchases shares on behalf of the CPF investors.

Shareholders are given the opportunity to participate effectively and vote at general meetings where relevant rules and procedures governing such meeting are clearly communicated. All resolutions at general meetings of the Company will be voted by poll as required by Rule 730A(2) of the Catalist Rules.

Provision 11.2

Separate Resolutions for Separate Issues

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

CORPORATE GOVERNANCE

Provision 11.3

Attendance of Directors and Auditors at General Meetings

Typically, barring unforeseen circumstances, all Directors and in particular, the Chairpersons of the AC, NC, RC as well as the CEO will be available to address questions at general meetings. The external auditors are also present to address any shareholders' questions on the conduct of audit and the preparation of the Auditors' Report. The Company Secretary/Secretaries attends all general meetings to ensure that procedures under the Constitution and the Catalist Rules are complied.

The Company's 2020 AGM was held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangement for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). Attendance at the 2020 AGM was via electronic means accessed via live audio-visual webcast or live audio-only stream. Questions were submitted to the Chairman of the Meeting in advance of the 2020 AGM. Voting was conducted by appointing the Chairman of the Meeting as proxy at the 2020 AGM. Pursuant to the Order, all attendees comprising Shareholders, Directors, CEO, Company Secretaries, Auditors, Share Registrar, Scrutineer and invitees attended the 2020 AGM vide electronic means.

The Company's 2021 AGM will also be held by electronic means pursuant to the Order. Attendance at the 2021 AGM will be via electronic means accessed via live audio-visual webcast or live audio-only stream. Questions are to be submitted to the Chairman of the Meeting ahead of the 2021 AGM. The Company will endeavour to address substantial and relevant questions prior the 2021 AGM. Details of the arrangements will be provided in the Notice of AGM which will be disseminated by electronic means via publication on the website of the Company and SGXNet.

In 2020, the Company held one general meeting, namely the AGM, which was attended by all the Directors.

Provision 11.4

Absentia voting

The Company's Constitution does not allow a shareholder to vote in absentia due to concerns on authentication of shareholder's identity, other related security and integrity of the information.

Provision 11.5

Minutes of general meetings

The Company prepares minutes of general meetings detailing proceedings and questions raised by shareholders and answers given by the Board and Management. Since 2020, such minutes, including the minutes of the upcoming AGM for FY2021, will be published on SGXNet, and on the Company's corporate website at www.lasseters-intl.com. Results of general meetings will continue to be released as an announcement on SGXNet.

Provision 11.6

Dividend

The Company does not have a fixed policy on payment of dividend. The Board will consider the Group's earnings, cash flow, capital requirement and general business condition before proposing a dividend. For FY2021, the Company did not declare any dividend.

CORPORATE GOVERNANCE

ENGAGEMENT WITH SHAREHOLDERS

PRINCIPLE 12

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provision 12.1

Avenues for communication between the Board and shareholders

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Board is mindful of the obligation to provide regular, effective and fair communication with shareholders. Besides the release of half-year results, the Company ensures timely and adequate disclosure of information on material matters required by the Catalist Rules through announcements via the SGXNet. The Company does not practice selective disclosure of material information.

The Board views the annual general meeting as a forum for dialogue with shareholders as it provides an opportunity for shareholders to raise issues and ask the Directors or the Management questions regarding the Company and its operations and to enable the Company to understand the views of the shareholders.

Provisions 12.2 and 12.3

Investor Relations

The Company's investor relations policy is to communicate with its shareholders and the investment community through the timely and equal dissemination of information and news via announcements on the SGXNet.

The Company values dialogue sessions with its shareholders. The Group welcomes the views of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad-hoc basis. Shareholders can submit their feedback and raise any questions to the Company's investor relation contact as provided in the Company's website, www.lasseters-intl.com

ENGAGEMENT WITH STAKEHOLDERS

PRINCIPLE 13

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1 and 13.2

The Group identifies its key stakeholders by taking into consideration their involvement in and influence on the Group's business. The stakeholders of the Group include, but are not limited to, shareholders, customers, employees, suppliers, government, regulators and the community.

Lasseters adopts both formal and informal channels of communications to better understand the needs of key stakeholders, and incorporate these into our corporate strategies to achieve mutually beneficial relationships. The Group is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in our corporate strategies. The sustainability report published provides more details about the strategy and key areas of focus in relation to the management of stakeholder relationships.

CORPORATE GOVERNANCE

Material Contracts

No material contracts were entered into between the Company or any of its subsidiaries involving the interests of any Director, CEO or controlling shareholder, which are either subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year up to the date of the financial statements except for related party transactions and director's remuneration as disclosed in the financial statements.

Interested Person Transactions

Lasseters has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC. All interested person transactions are subject to review by the AC to ensure compliance with the established procedures. If the Company intends to enter into an interested person transaction, the AC and the Board will ensure that the transaction are carried out based on normal commercial terms and will not be prejudicial to the interest of the Company and its non-controlling shareholders.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules. There were no interested person transactions entered into by the Group in excess of SGD100,000 during the year under review.

Dealings in Securities

The Company has adopted and implemented a policy on dealings in securities that is in accordance with Rule 1204(19) of the Catalist Rules. Under this policy, the Company, Directors and officers of the Group have been prohibited from dealing in the Company's shares during the period commencing one month before the half-year or full-year results announcement, as the case may be, and ending on the date of announcements of the relevant results and at any time whilst in possession of unpublished price sensitive information. They are discouraged from dealing in the Company's securities on short-term considerations.

In the course of doing business for the Company and the Group or in discussion with one of customers, vendors or partners, directors and officers of the Company and the Group may become aware of material non-public information about that organisation. Information is considered material if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to trade in the public securities of the Company. The discussion of this information is on a limited "need to know" basis internally and is not shared with anyone outside the Company or the Group. Directors and officers are not allowed to buy or sell the public securities of the affected organisations, including the Company, on the basis of such information, nor can this information be shared with others.

The Company has complied with the best practice pursuant to Rule 1204(19)(c) Catalist Rules in not dealing in its own securities during the restricted trading periods.

Catalist Sponsor

There was no non-sponsor fee paid to the sponsor for the year under review. However, the Group has paid to an affiliate of the sponsor, Zico-Stamford Corporate Services Pte Ltd an aggregate of SGD8,400 as secretarial fee on retainer basis for FY2021.

Sustainability Report

The Sustainability Report will be issued and released via SGXNet within the prescribed timeline as required under Rule 711A of the Catalist Rules.

Financial Statements

DIRECTORS' STATEMENT

The Directors of Lasseters International Holdings Limited (the "Company") present their statement to the members together with the audited financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 30 June 2021 and the statement of financial position of the Company as at 30 June 2021 and the statement of changes in equity of the Company for the financial year then ended.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company together with the notes thereon are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are as follows:

Dato' Jaya J B Tan	(Non-Executive Chairman)
Dato' Kamal Y P Tan	(Non-Executive Director)
Tan San Chuan	(Non-Executive Director)
Tan Sri Kuan Peng Ching @ Kuan Peng Soon	(Independent Director)
Teo Chee Seng	(Independent Director)

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as follows:

	Shareholdings registered in the name of Directors/Nominees		
	Balance as at 1.7.2020	Balance as at 30.6.2021	Balance as at 21.7.2021
The Company	**Number of ordinary shares**		
Dato' Jaya J B Tan	95,868,540	95,868,540	95,868,540
Dato' Kamal Y P Tan	99,116,012	99,116,012	99,116,012
Tan San Chuan	18,115,336	18,115,336	18,115,336
Tan Sri Kuan Peng Ching @ Kuan Peng Soon	39,042,478	23,942,478	23,942,478
Teo Chee Seng	400,000	400,000	400,000

By virtue of Section 7 of the Act, Dato' Kamal Y P Tan is deemed to have interests in the shares of all the subsidiaries of the Company, as at the beginning and end of the financial year. In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Directors' interests as at 21 July 2021 in the shares of the Company have not changed from those disclosed as at 30 June 2021.

5. SHARE OPTIONS

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

6. AUDIT COMMITTEE

The Company's Audit Committee comprises the following members, all of whom are Non-Executive Directors and a majority of whom, including the Chairman, are Independent Directors:

Teo Chee Seng (Chairman)
Tan Sri Kuan Peng Ching @ Kuan Peng Soon
Dato' Kamal Y P Tan

The Audit Committee meets periodically to perform (amongst others) the following functions:

a. review with the external independent auditor the audit plan, and the results of the external independent auditor's examination and evaluation of the system of internal accounting controls;

b. review the consolidated financial statements of the Group, statement of financial position and statement of changes in equity of the Company, and the external independent auditor's report on those financial statements, before submission to the Board of Directors for approval;

DIRECTORS' STATEMENT

6. AUDIT COMMITTEE (CONTINUED)

c. review the announcement of the financial results;

d. review the co-operation given by the management to the external independent auditor;

e. consider the appointment and re-appointment of the external independent auditor;

f. review and approve interested person transactions;

g. review potential conflict of interests, if any;

h. undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee; and

i. generally undertake such other functions and duties as may be required by statute or the provisions of Section B: Rules of Catalist of the Listing Manual of SGX-ST, and by such amendments made thereto from time to time.

The Audit Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

7. INDEPENDENT AUDITOR

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

8. ADDITIONAL DISCLOSURE REQUIREMENTS OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The auditors of the subsidiary corporations of the Company are disclosed in Note 14 to the financial statements. In the opinion of the Board of Directors and Audit Committee, Rule 712 and Rule 715 of the provisions of Section B: Rules of Catalist of the Listing Manual of SGX-ST have been complied with.

On behalf of the Board of Directors

Dato' Jaya J B Tan	**Dato' Kamal Y P Tan**
Non-Executive Chairman	Non-Executive Director

17 September 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LASSETERS INTERNATIONAL HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Lasseters International Holdings Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 48 to 119, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2021;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LASSETERS INTERNATIONAL HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

<table>
<tr><th>KEY AUDIT MATTER</th><th>AUDIT RESPONSE</th></tr>
<tr><td colspan="2">Accounting for non-current assets held for sale and discontinued operations</td></tr>
<tr><td>During the financial year, a subsidiary of the Group, Ford Dynasty Pty Ltd ("Ford Dynasty"), entered into agreements with a third-party relating to the proposed disposal of freehold land, buildings and improvements of Ford Dynasty; as well as the casino hotel and convention centre business and non-real property business assets of Ford Dynasty.

Another subsidiary, Lasseters Health Club Pty Ltd, also entered into a business sale and purchase agreement of the business and business assets of Lasseters Health Club.

The management plans to complete the disposal within the next 12 months and hence has classified the relevant assets and liabilities in accordance with SFRS(I) 5 - Non-current Assets Held for Sale and Discontinued Operations.

As at 30 June 2021, the carrying amount of assets and liabilities classified as held for sale were AUD105,452,000 and AUD3,441,000 respectively. Further, the profit for the financial year from discontinued operations amounted to AUD9,981,000.

We have determined accounting for non-current assets held for sale and discontinued operations to be a key audit matter as the management's estimation of the assets and liabilities classified as held for sale involved significant management's judgement and estimates:

• The classification of relevant assets and liabilities classified as held for sale and the presentation of its results and discontinued operations;
• The identification of income and expenses allocated to the discontinued operations;
• The measurement of assets classified as assets held for sale at the lower of fair value less costs to sell.

Refer to disclosures included in Note 3.1(ii) and Note 9 to the financial statements.</td><td>Our audit procedures included, among others, the following:

• assessed the key terms of the sales and purchase agreements, including the conditions precedent;
• discussed with management to obtain an understanding of the plan and timeline for the proposed disposal;
• evaluated management's basis of classification of the various assets and liabilities and its related results as discontinued operations for the current and previous financial years;
• evaluated management's assessment of the costs to sell relating to the proposed disposal;
• evaluated and tested the allocated income and expenses to continuing or discontinued operations;
• assessed management's measurement of assets held for sale at the lower of their carrying amounts and fair value less costs to sell.</td></tr>
</table>

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LASSETERS INTERNATIONAL HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LASSETERS INTERNATIONAL HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is William Ng Wee Liang.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
17 September 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	Group	
		2021 AUD'000	**2020 AUD'000 (Restated)**
Revenue	4	**74**	27
Consumables		**(11)**	-
Employee benefits expense	5	**(1,579)**	(1,672)
Depreciation expenses		**(10)**	(13)
Amortisation of right-of-use assets		**(127)**	(157)
Advertising and promotional expenses		**(4)**	(4)
Other operating expenses		**(554)**	(751)
Loss allowance on trade and other receivables		**-**	(24)
Finance costs	6	**(756)**	(1,141)
Share of losses of joint venture		**(87)**	(94)
Loss before income tax from continuing operations	7	**(3,054)**	(3,829)
Income tax expense	8	**(293)**	(66)
Loss for the financial year from continuing operations		**(3,347)**	(3,895)
Profit/(Loss) for the financial year from discontinued operations	9	**9,981**	(2,891)
Profit/(Loss) for the financial year		**6,634**	(6,786)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Deficit on revaluation of land and buildings, net of deferred tax		**(11,370)**	(5,258)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		**(132)**	(51)
Other comprehensive loss for the financial year, net of tax		**(11,502)**	(5,309)
Total comprehensive loss for the financial year		**(4,868)**	(12,095)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	Group 2021 AUD'000	Group 2020 AUD'000 (Restated)
Profit/(Loss) for the financial year attributable to:			
Owners of the parent		**6,682**	(6,750)
Non-controlling interests		**(48)**	(36)
		6,634	(6,786)
Total comprehensive loss for the financial year attributable to:			
Owners of the parent		**(4,814)**	(12,080)
Non-controlling interests		**(54)**	(15)
		(4,868)	(12,095)
Profit/(Loss) per share attributable to owners of the parent			
- Basic and diluted (AUD cents)	10	**1.38**	(1.40)
Loss per share from continuing operations attributable to owners of the parent			
- Basic and diluted (AUD cents)	10	**(0.68)**	(0.80)
Profit/(Loss) per share from discontinued operations attributable to owners of the parent			
- Basic and diluted (AUD cents)	10	**2.06**	(0.60)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2021

		Group		Company	
	Note	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Non-current assets					
Property, plant and equipment	11	**9**	122,611	**-**	-
Right-of-use assets	12	**100**	1,730	**-**	-
Intangible assets	13	**-**	-	**-**	-
Investments in subsidiaries	14	**-**	-	**14,380**	14,309
Investment in joint venture	15	**2,170**	2,098	**-**	-
Membership rights	16	**-**	38	**-**	38
		2,279	126,477	**14,380**	14,347
Current assets					
Inventories	17	**15**	541	**-**	-
Trade and other receivables	18	**1,281**	1,022	**12,630**	11
Cash and bank balances	19	**5,742**	1,071	**97**	16
		7,038	2,634	**12,727**	27
Assets classified as held for sale	9	**105,452**	-	**-**	-
		112,490	2,634	**12,727**	27
Less:					
Current liabilities					
Trade and other payables	20	**8,812**	8,715	**4,872**	3,003
Provisions for employee entitlements	21	**-**	1,174	**-**	-
Bank borrowings	22	**6,640**	2,410	**-**	-
Lease liabilities	23	**119**	1,034	**-**	-
Current income tax payable		**717**	28	**-**	-
		16,288	13,361	**4,872**	3,003
Liabilities classified as held for sale	9	**3,441**	-	**-**	-
		19,729	13,361	**4,872**	3,003
Net current assets/(liabilities)		**92,761**	(10,727)	**7,855**	(2,976)
Less:					
Non-current liabilities					
Trade and other payables	20	**272**	1,051	**-**	-
Provisions for employee entitlements	21	**-**	191	**-**	-
Bank borrowings	22	**57,226**	63,636	**-**	-
Lease liabilities	23	**124**	1,601	**-**	-
Deferred tax liabilities	24	**6,955**	13,821	**2**	2
		64,577	80,300	**2**	2
Net assets		**30,463**	35,450	**22,233**	11,369

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2021

		Group		Company	
	Note	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Equity					
Share capital	25	**57,554**	57,554	**57,554**	57,554
Treasury shares	26	**(426)**	(426)	**(426)**	(426)
Capital reserve		**-**	119	**-**	-
Foreign currency translation reserve	27	**(3,638)**	(3,512)	**(1,717)**	(1,717)
Revaluation reserve	28	**35,403**	46,773	**-**	-
Accumulated losses	29	**(58,452)**	(65,134)	**(33,178)**	(44,042)
Equity attributable to owners of the parent		**30,441**	35,374	**22,233**	11,369
Non-controlling interests		**22**	76	**-**	-
Total equity		**30,463**	35,450	**22,233**	11,369

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Attributable to owners of the parent								
	Share capital AUD'000	Treasury shares AUD'000	Capital reserve AUD'000	Foreign currency translation reserve AUD'000	Revaluation reserve AUD'000	Accumulated losses AUD'000	Total AUD'000	Non-controlling interests AUD'000	Total equity AUD'000
Group									
Balance as at 1.7.2020	**57,554**	**(426)**	**119**	**(3,512)**	**46,773**	**(65,134)**	**35,374**	**76**	**35,450**
Profit for the financial year	**-**	**-**	**-**	**-**	**-**	**6,682**	**6,682**	**(48)**	**6,634**
Other comprehensive loss for the financial year:									
Exchange differences on translating foreign operations	**-**	**-**	**-**	**(126)**	**-**	**-**	**(126)**	**(6)**	**(132)**
Deficit on revaluation of land and buildings, net of deferred tax	**-**	**-**	**-**	**-**	**(11,370)**	**-**	**(11,370)**	**-**	**(11,370)**
Total comprehensive loss for the financial year	**-**	**-**	**-**	**(126)**	**(11,370)**	**6,682**	**(4,814)**	**(54)**	**(4,868)**
Transactions with owners, recognised directly in equity									
Issuance of redeemable non-convertible preference shares	**-**	**-**	**(119)**	**-**	**-**	**-**	**(119)**	**-**	**(119)**
Balance as at 30.6.2021	**57,554**	**(426)**	**-**	**(3,638)**	**35,403**	**(58,452)**	**30,441**	**22**	**30,463**

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Attributable to owners of the parent								
	Share capital AUD'000	Treasury shares AUD'000	Capital reserve AUD'000	Foreign currency translation reserve AUD'000	Revaluation reserve AUD'000	Accumulated losses AUD'000	Total AUD'000	Non-controlling interests AUD'000	Total equity AUD'000
Group									
Balance as at 1.7.2019	57,554	(426)	-	(3,440)	52,031	(58,384)	47,335	91	47,426
Loss for the financial year	-	-	-	-	-	(6,750)	(6,750)	(36)	(6,786)
Other comprehensive loss for the financial year:									
Exchange differences on translating foreign operations	-	-	-	(72)	-	-	(72)	21	(51)
Deficit on revaluation of land and buildings, net of deferred tax	-	-	-	-	(5,258)	-	(5,258)	-	(5,258)
Total comprehensive loss for the financial year	-	-	-	(72)	(5,258)	(6,750)	(12,080)	(15)	(12,095)
Transactions with owners, recognised directly in equity									
Issuance of redeemable non-convertible preference shares	-	-	119	-	-	-	119	-	119
Balance as at 30.6.2020	57,554	(426)	119	(3,512)	46,773	(65,134)	35,374	76	35,450

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Share capital AUD'000	Treasury shares AUD'000	Foreign currency translation reserve AUD'000	Accumulated losses AUD'000	Total equity AUD'000
Company					
Balance as at 1.7.2020	**57,554**	**(426)**	**(1,717)**	**(44,042)**	**11,369**
Profit for the financial year, representing total comprehensive income for the financial year	**-**	**-**	**-**	**10,864**	**10,864**
Balance as at 30.6.2021	**57,554**	**(426)**	**(1,717)**	**(33,178)**	**22,233**
Balance as at 1.7.2019	57,554	(426)	(1,717)	(40,644)	14,767
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(3,398)	(3,398)
Balance as at 30.6.2020	57,554	(426)	(1,717)	(44,042)	11,369

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Group	
	2021 AUD'000	**2020 AUD'000 (Restated)**
Operating activities		
Loss before income tax from continuing operations	**(3,054)**	(3,829)
Profit/(Loss) before income tax from discontinued operations	**10,109**	(3,671)
	7,055	(7,500)
Adjustments for:		
Amortisation of right-of-use assets	**315**	761
Depreciation expenses	**4,745**	6,510
Gain on disposal of property, plant and equipment	**-**	(9)
Gain on disposal of assets held for sale	**-**	(9)
Impairment in value of property, plant and equipment	**-**	109
Impairment in value of right-of-use assets	**-**	947
Interest expense	**2,538**	3,581
Interest income	**-**	(6)
Loss allowance of trade and other receivables	**-**	47
Net gain on modification of lease term	**(977)**	-
Share of losses of joint venture	**87**	94
Write back of trade and other payables	**(82)**	-
Write-down of inventory	**-**	46
Operating cash flows before working capital changes	**13,681**	4,571
Working capital changes:		
Inventories	**(104)**	203
Trade and other receivables	**(565)**	728
Trade and other payables	**212**	(1,769)
Cash generated from operations	**13,224**	3,733
Interest received	**-**	5
Interest paid	**(2,538)**	(3,581)
Income tax paid	**(1,773)**	(540)
Net cash from/(used in) operating activities	**8,913**	(383)
Investing activities		
Proceeds from disposal of property, plant and equipment	**-**	23
Proceeds from disposal of assets held for sale	**-**	2,541
Purchase of property, plant and equipment	**(1,155)**	(398)
Additional investment in a joint venture (Note B)	**-**	(748)
Repayment from/(Advances to) a joint venture (Note B)	**3**	(333)
Foreign currency translation adjustment	**(212)**	(75)
Net cash (used in)/from investing activities	**(1,364)**	1,010

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Group	
	2021 AUD'000	2020 AUD'000 (Restated)
Financing activities		
Drawdown of bank borrowings (Note A)	**-**	1,850
Repayment of bank borrowings (Note A)	**(1,750)**	(2,000)
Repayment of finance lease obligations (Note A)	**(714)**	(1,182)
Proceeds from issuance of redeemable non-convertible preference shares	**-**	838
Foreign currency translation adjustment	**(8)**	(5)
Net cash used in financing activities	**(2,472)**	(499)
Net change in cash and cash equivalents	**5,077**	128
Cash and cash equivalents as at the beginning of the financial year	**161**	23
Currency translation adjustment on cash and cash equivalents	**24**	10
Cash and cash equivalents as at the end of the financial year (Note 19)	**5,262**	161

Note A: Reconciliation of liabilities arising from financing activities

			Non cash changes				
	1.7.2020 AUD'000	Cash flows AUD'000	Additions of property, plant and equipment under finance leases AUD'000	Transfer to liabilities held for sale AUD'000	Modification to lease terms AUD'000	Foreign exchange differences AUD'000	30.6.2021 AUD'000
Group							
Bank borrowings	**65,136**	**(1,750)**	**-**	**-**	**-**	**-**	**63,386**
Lease liabilities	**2,635**	**(714)**	**669**	**(1,351)**	**(977)**	**(19)**	**243**

			Non cash changes		
	1.7.2019 AUD'000	Cash flows AUD'000	Additions of property, plant and equipment under finance leases AUD'000	Foreign exchange differences AUD'000	30.6.2020 AUD'000
Group					
Bank borrowings	65,286	(150)	-	-	65,136
Lease liabilities	3,272	(1,182)	549	(4)	2,635

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

Note B: Reconciliation of assets arising from investing activities

			Non cash changes		
	1 .7.2020 AUD'000	Cash flows AUD'000	Capitalisation of amount due from joint venture AUD'000	Foreign exchange differences AUD'000	30.6.2021 AUD'000
Group					
Amount due from joint venture	**308**	**(3)**	**(300)**	**1**	**6**

			Non cash changes		
	1.7.2019 AUD'000	Cash flows AUD'000	Additional investment in joint venture AUD'000	Foreign exchange differences AUD'000	30.6.2020 AUD'000
Group					
Amount due from joint venture	-	1,081	(748)	(25)	308

Significant non-cash transactions

During the financial year ended 30 June 2021, the Group had capitalised AUD300,000 of amounts due from joint venture as redeemable non-convertible non-cumulative preference shares.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

These notes form an integral part of and should be read in conjunction with the financial statements.

1. General corporate information

Lasseters International Holdings Limited (the "Company") (Registration Number : 200402223M) is a public company limited by shares, incorporated and domiciled in the Republic of Singapore with its registered office at 4 Shenton Way, #17-01 SGX Centre II, Singapore 068807. The Company does not have a place of business in Singapore at the date of this report.

The Company is listed on Catalist of the Singapore Exchange Securities Trading Limited.

The principal activities of the Company are those of an investment holding company and provider of management and technical services. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"), including related interpretations of SFRS(I) ("SFRS(I) INT"), and are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Australian dollar ("AUD"), which is the functional and presentation currency of the Company and all values are rounded to the nearest thousand ("AUD'000") except when otherwise indicated.

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have the most significant effect on the financial statements are disclosed in Note 3 to the financial statements.

Changes in accounting policies

New standards, amendments and interpretations effective from 1 July 2020

The standards, amendments to standards, and interpretations, issued by Accounting Standards Council Singapore ("ASC") that will apply for the first time by the Group are not expected to impact the Group as they are either not relevant to the Group's business activities or require accounting which is consistent with the Group's current accounting policies.

New standards, amendments and interpretations issued but not yet effective

There are a number of standards, amendments to standards, and interpretations, which have been issued by Accounting Standards Council Singapore ("ASC") that are effective in future accounting periods and the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption will have a material impact to the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are consolidated from the date on which the Group obtains control over the investee and cease from consolidation when the control is lost. Control is reassessed whenever the facts and circumstances indicate that they may be a change in the elements of control.

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides an impairment indicator of the transferred asset.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners). The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the separate financial statements of the Company, investments in subsidiaries are carried at cost, less any impairment loss that has been recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.3 Business combinations

Business combinations from 1 July 2009

The acquisition of subsidiaries and businesses is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair values at the acquisition date.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase.

Business combinations before 1 July 2009

In comparison to the above mentioned requirements, the following differences applied:

Business combinations were accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests were treated as a revaluation and recognised in equity.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that would otherwise have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was probable and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.4 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes).

Gaming revenue

Revenue from gaming represents net house takings, which is the aggregate of wins and losses arising from gaming play, and is reported after deduction of goods and services tax and loyalty points awarded to customers. Gaming contracts include a performance obligation to honor the patron's wager and typically include a performance obligation to provide a product or service to the patron on a complimentary basis in exchange for points earned under the Group's loyalty programs. The Group allocates the estimated fair value of the points earned to the loyalty program liability. The loyalty program liability is a deferral of revenue until redemption occurs. Upon redemption of loyalty program points for Group-owned products and services, the stand-alone selling price of each product or service is allocated to the respective revenue type.

After allocation to the other revenue types for products and services provided to patrons as part of a gaming contract, the residual amount is recorded to casino revenue as soon as the wager is settled. As all wagers have similar characteristics, the Group accounts for its gaming contracts collectively on a portfolio basis versus an individual basis.

Food and beverages, accommodation, convention centre, gym and spa and wellness

Revenue from food and beverages is recognised when goods are delivered or services are rendered. Revenue from accommodation is recognised over time during the period of stay. Revenue from gym membership were recognised on a monthly basis over the contract term. Revenue from convention centre and spa and wellness is recognised when the related services is rendered or the event is held. Deposits for future accommodation occupancy, convention space, food and beverage services contracts, gym or spa and wellness services contracts are recorded as contract liabilities until the revenue recognition criteria are met. Cancellation fees are recognised upon cancellation by the customer and are included in other revenue.

Others

Revenue from the sale of goods or services are recognised at point in time when the goods are delivered to customers or services are rendered.

2.5 Government subsidies

Government subsidies are recognised at the fair value in profit or loss where there is reasonable assurance that the subsidies will be received and all attaching conditions have been complied with.

When the subsidies relate to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the expenditure that it is intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.6 Employee benefits

Provisions are made for employee entitlements arising from services rendered by employees to the end of the financial year. Employee entitlements expected to be settled within one financial year together with entitlements arising from salaries and wages, annual leave and sick leave which will be settled within one financial year have been measured at their nominal amount. Other employee entitlements payable later than one financial year have been measured at the present value of the estimated future cash flows to be made for those entitlements.

Defined contribution plans and employee superannuation funds

Contributions to defined contribution plans and employee superannuation funds are recognised as compensation expenses in profit or loss in the same financial year as the employment that gives rise to the contributions.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the end of the financial year.

2.7 Leases

As lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.7 Leases (Continued)

As lessee (Continued)

Initial measurement (Continued)

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group presents the right-of-use assets (excluding those which meet the definition of investment property) and lease liabilities separately from other assets and other liabilities in the consolidated statement of financial position.

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated amortisation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are amortised on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are amortised over the useful life of the underlying asset.

The right-of-use assets are amortised based on the following bases:

	Years
Leased premises	3 to 5
Equipment	2.5 to 20

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.15 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.7 Leases (Continued)

As lessee (Continued)

Subsequent measurement (Continued)

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;

- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;

- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group has elected to account for the entire contract as a lease. The Group does not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

2.9 Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other financial years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is recognised at the amount expected to be paid or recovered from taxation authorities and is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and the subsidiaries operate by the end of the financial year.

Current income taxes are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

2. Summary of significant accounting policies (Continued)

2.9 Taxes (Continued)

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and joint venture, except where the Group is able to control the timing of reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recognised in profit or loss, except when it relates to items recognised outside profit or loss, in which case the tax is also recognised either in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination, is taken into account in calculating goodwill on acquisition.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchase of assets or services is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.10 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the financial year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the financial year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Australian dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, are recognised initially in other comprehensive income and accumulated in the Group's foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

On disposal of a foreign operation, the accumulated foreign currency translation reserve relating to that operation is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.11 Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Freehold land is stated at its revalued amount, being the fair value at the date of revaluation. Freehold buildings/ licensed casino are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Freehold land and freehold buildings/ licensed casino are revalued with sufficient regularity such that the carrying amounts do not differ materially from that which would be determined using fair values at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.11 Property, plant and equipment (Continued)

Any revaluation increase arising from the revaluation of such land and buildings is recognised in other comprehensive income and credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

All other plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure relating to the property, plant and equipment that has already been recognised is added to the carrying amount of the property, plant and equipment when it is probable that the future economic benefits, in excess of the standard of performance of the property, plant and equipment before the expenditure was made, will flow to the Group, and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Depreciation is charged so as to write off the depreciable amounts of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method, on the following bases:

	Years
Freehold buildings/licensed casino	22 to 50
Plant and equipment	1.5 to 10

No depreciation is charged on construction-in-progress as they are not yet ready for their intended use as at the end of the financial year.

Freehold land is not depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.12 Intangible assets

Patents and trademarks

Patents and trademarks represent costs associated with the protection of the name "LASSETERS", "The Golden Door" and the stylised "L" used by the Group. Patents and trademarks are stated at cost less impairment losses, if any. No amortisation is provided on the cost of patents and trademarks as the management believes that the patents and trademarks have indefinite useful life arising from continuous renewals of registration.

Product development costs

Research costs are expensed as incurred.

Costs incurred in developing systems and delivery mechanisms to facilitate the generation of revenues are brought to account as product development costs. An intangible asset arising from product development costs is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development.

The carrying value of the product development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indication of impairment arises during the financial year.

2.13 Membership rights

Membership rights held on a long term basis are stated at cost less impairment losses, if any, based on a review at the end of each financial year.

2.14 Joint arrangements

The Group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries (Note 2.2). The Group classifies its interests in joint arrangements as joint ventures, where the Group has rights to only the net assets of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

Joint ventures are initially recognised in the consolidated statement of financial position at cost, and subsequently accounted for using the equity method less any impairment losses. Any premium paid for a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is included in the carrying amount of the investment in the joint venture.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.14 Joint arrangements (Continued)

Under the equity method, the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of comprehensive income. Post-acquisition changes in the Group's share of net assets of joint ventures and distributions received are adjusted against the carrying amount of the investments.

Losses of a joint venture in excess of the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment) are not recognised, unless the Group has incurred legal or constructive obligations to make good those losses or made payments on behalf of the joint venture.

Where the Group transacts with a joint venture, unrealised profits are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated, but only to the extent that there is no impairment.

2.15 Impairment of tangible and intangible assets excluding goodwill

At the end of each financial year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.16 Inventories

Consumables

Inventories are stated at the lower of cost and net realisable value. The cost of consumables includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on a "first-in, first-out" basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Allowance is made for obsolete, slow-moving and defective inventories.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.17 Financial instruments

The Group recognises a financial asset or a financial liability in its statements of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

Financial assets

The Group classifies its financial assets as amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group shall reclassify its affected financial assets when and only when the Group changes its business model for managing these financial assets. The Group's accounting policy for financial assets measured at amortised cost is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within SFRS(I) 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables and amount due from subsidiaries are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's financial assets measured at amortised cost comprise trade and other receivables (excluding contract assets, prepayments and Goods and Services Tax ("GST") recoverable) and cash and bank balances in the statements of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.17 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Group classifies ordinary shares as equity instruments.

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the accumulated profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

Financial liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial guarantee contracts.

Trade and other payables

Trade and other payables (excluding contract liabilities, gaming tax, payroll tax, superannuation and GST payable) are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing liabilities

Interest-bearing liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.8).

Interest-bearing liabilities are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of reporting period, in which case they are presented as non-current liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.17 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities (Continued)

Financial guarantee contracts

The Company has issued corporate guarantee to banks for borrowings of a subsidiary and joint venture. These guarantees qualify as financial guarantees because the Company is required to reimburse the banks if the subsidiary and joint venture breach any repayment term.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs. Financial guarantee contracts are subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of loss provisions determined in accordance with SFRS(I) 9.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents include bank overdrafts. In the statements of financial position, bank overdrafts are presented within bank borrowings under current liabilities.

2.19 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell. The assets are not depreciated or amortised while classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

(a) represents a separate major line of business or geographical area of operations;

(b) is part of a single co-ordinated plan to dispose of a separate major line or geographical area of operations; or

(c) is a subsidiary acquired exclusively with a view to resale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Summary of significant accounting policies (Continued)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer who makes strategic decisions.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Critical judgements made in applying the entity's accounting policies

In the process of applying the Group's accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements except as discussed below.

(i) Impairment of investments in subsidiaries and investment in joint venture

The Group and the Company follow the guidance of SFRS(I) 1-36 on determining when an investment in subsidiary and joint venture is impaired. This determination requires significant judgement. The Group and the Company evaluate, among other factors, the duration and extent to which the recoverable amount of an investment in subsidiary and joint venture is less than its carrying amount and the financial health of the near-term business outlook for the investment, including fact ors such as industry and sector performance, changes in technology and operational and financing cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.1 Critical judgements made in applying the entity's accounting policies (Continued)

(ii) Classification and measurement of non-current assets and liabilities held for sale

The Group planned to dispose of certain freehold land, buildings, and improvements of Ford Dynasty Pty Ltd ("Ford Dynasty"); as well as the casino hotel and convention centre business and non-real property business assets of Ford Dynasty. Another subsidiary, Lasseters Health Club Pty Ltd ("Lasseters Health Club"), also entered into a business sale and purchase agreement of the business and business assets of Lasseters Health Club. On 19 April 2021, the Group entered into three sale and purchase agreements for the proposed disposal. The management had assessed the classification based on its plans to complete the proposed disposal within the next 12 months and hence, classified the results and assets and liabilities relating to the Ford Dynasty and Lasseters Health Club in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations. The following requires significant judgements and estimates by the management:

- Classification of relevant assets and liabilities classified as held for sale and the presentation of its results as discontinued operations;
- Identification of income and expenses allocated to the discontinued operations; and
- Measurement of the assets relating to the assets classified as held for sale at the lower of their carrying amounts or fair value less costs to sell.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses, within the next financial year, are discussed below.

(i) Income taxes

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provision in the financial year in which such determination is made. As at 30 June 2021, the carrying amounts of the Group's current income tax payable and deferred tax liabilities were AUD717,000 (2020: AUD28,000) and AUD6,955,000 (2020: AUD13,821,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4. Revenue

	Group	
	2021 AUD'000	2020 AUD'000 (Restated)
At a point in time		
Others	**74**	27

The Group has disaggregated revenue to reflect the operations of the business segments identified by management. The segment information together with other information utilised for the purpose of management monitoring of operating results of the segment, which includes the geographical markets are disclosed in Note 31 to the financial statements.

Contract assets and contract liabilities

The Group provides various products and services to its customers. There is often a timing difference between the cash payment by the customers and recognition of revenue for each of the associated performance obligations, resulting in contract assets or contract liabilities. The Group generally has the following types of assets/liabilities associated with contracts with customers:

	Group	
	2021 AUD'000	2020 AUD'000
Contract assets		
Accommodation	**27**	-
Contract liabilities		
Customer deposits	**63**	320
Membership fees received in advance	**18**	19
Spa vouchers liabilities	**23**	50
Loyalty program liability	**-**	13
	104	402

a) Significant changes in contract assets and contract liabilities

	Group			
	Contract assets		Contract liabilities	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Balance as at the beginning of the financial year	**-**	41	**(402)**	(1,864)
Amount recognised as revenue	**-**	-	**8,587**	8,029
Excess of revenue recognised over cash (or rights to cash)	**6,543**	5,732	**-**	-
Cash received in advance of performance and not recognised as revenue	**-**	-	**(8,289)**	(6,567)
Transfers to trade receivables	**(6,516)**	(5,773)	**-**	-
Balance as at the end of the financial year	**27**	-	**(104)**	(402)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4. Revenue (Continued)

Contract assets and contract liabilities (Continued)

b) Remaining performance obligations

The vast majority of the Group's contracts are for the delivery of goods and services within the next 12 months. Hence, the allocation of aggregate transaction price to the remaining performance obligations and explanation on when the Group expects the revenue to be recognised are not disclosed.

5. Employee benefits expense

	Group	
	2021 AUD'000	2020 AUD'000 (Restated)
Wages, salaries and bonuses	**1,506**	1,571
Staff amenities	**25**	30
Contributions to defined contribution plans	**41**	47
Other social expenses and employee benefits	**7**	24
	1,579	1,672

These expenses include the amounts shown as key management personnel remuneration in Note 30 to the financial statements.

6. Finance costs

	Group	
	2021 AUD'000	2020 AUD'000 (Restated)
Interest expenses on		
- commercial bills	**678**	1,017
- lease liabilities	**12**	17
- bank overdrafts	**38**	47
- others	**28**	58
	756	1,139
Bank charges	**-**	2
	756	1,141

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Loss before income tax

The above is arrived at after charging/(crediting):

	Group	
	2021 AUD'000	**2020 AUD'000 (Restated)**
Audit fees		
- auditor of the Company	**81**	88
- other auditors (member firms of BDO International Limited)	**31**	55
Foreign exchange (gain)/loss, net	**(177)**	10
Non-audit fees to auditors of the subsidiaries	**17**	32
Printing and stationery	**6**	43
Professional fees and related services	**126**	185
Repairs and maintenance	**13**	18
Subscription	**15**	3
Telecommunication	**13**	12
Travelling and transportation	**17**	41
Utilities	**6**	6
Write back of trade and other payables	**(82)**	-

There is no non-audit fees paid or payable to the auditor of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

8. Income tax expense/(credit)

	Group	
	2021 AUD'000	**2020 AUD'000 (Restated)**
Withholding tax		
- current financial year	**293**	66
Income tax expense from continuing operations	**293**	66
Income tax expense/(credit) from discontinued operations (Note 9)	**128**	(780)
	421	(714)
Reconciliation of effective tax rate		
Loss before income tax from continuing operations	**(3,054)**	(3,829)
Profit/(Loss) before income tax from discontinued operations (Note 9)	**10,109**	(3,671)
	7,055	(7,500)
Share of losses of joint venture	**87**	94
	7,142	(7,406)
Income tax calculated at Australia's statutory tax rate of 30%	**2,143**	(2,222)
Effect of different tax rates in other countries	**(116)**	221
Effect of income not subject to tax	**-**	(19)
Effect of expenses not deductible for income tax purposes	**1,226**	123
Withholding tax	**293**	66
Overprovision of current income tax in prior financial years	**-**	(88)
Underprovision of deferred tax in prior financial years	**999**	88
Deferred tax assets not recognised in profit or loss	**-**	1,117
Utilisation of previously unrecognised tax losses	**(4,124)**	-
Total income tax expense/(credit) recognised in profit or loss	**421**	(714)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

9. Discontinued operations and assets/liabilities classified as held for sale

Pursuant to SFRS(I) 5 – Non-current Assets Held for Sale and Discontinued Operations, the results of The Golden Door Health Retreat – Elysia Pty Limited ("TGDE"), The Golden Door Pty Limited ("TGDM"), Ford Dynasty Pty Ltd ("Ford Dynasty") and Lasseters Health Club Pty Ltd ("Lasseters Health Club") have been presented separately as discontinued operations in the consolidated statement of comprehensive income.

a. On 28 June 2019, TGDE entered into two sale and purchase agreements with Hunter Valley (CL) Management Pty Ltd ("HVCLM") and Hunter Valley (CL) Leases Pty Ltd ("HVCLL") respectively for the disposal of the freehold land and property, and the business assets of TGDE respectively for an aggregate consideration of AUD5,000,000.

   On 29 July 2019, TGDE entered into a Deed of Novation with the purchasers to novate the rights and obligations of HVCLL in the sale and purchase agreement for the disposal of the business assets to HVCLM.

   The disposal was completed on 29 July 2019.

b. On 14 August 2020, TGDM entered into a Deed of Surrender of Sublease to surrender the Group's leasehold interests in The Golden Door Spa and Club at Mirage. The business ceased trading on 24 August 2020 and the property was surrendered on 18 September 2020.

c. On 19 April 2021, Ford Dynasty entered into two sale and purchase contracts with Alice Springs Casino Property Pty Ltd and Alice Springs Casino Operations Pty Ltd ("Alice Springs Operations") respectively for the proposed disposal of the freehold land and buildings, and improvements, and for the proposed disposal of the casino hotel and convention centre business and non-real property business assets of Ford Dynasty. On the same date, Lasseters Health Club entered into a sale and purchase agreement with Alice Springs Operations for the proposed disposal of the business and business assets of Lasseters Health Club. The aggregate purchase consideration for the proposed disposal is AUD105,000,000 before any adjustments.

   The results of the discontinued operations are as follows:

	Group	
	2021 AUD'000	**2020 AUD'000 (Restated)**
Revenue	**46,337**	36,191
Consumables	**(3,437)**	(3,318)
Employee benefits expense	**(14,697)**	(15,457)
Depreciation expenses	**(4,735)**	(6,497)
Amortisation of right-of-use assets	**(188)**	(604)
Villa lease rental	**-**	(102)
Advertising and promotional expenses	**(889)**	(884)
Gaming tax	**(4,154)**	(2,454)
Other operating expenses	**(7,323)**	(6,997)
Loss allowance on trade and other receivables	**-**	(23)
Gain on disposal of assets held for sale	**-**	9
Gain on disposal of property, plant and equipment	**-**	9
Write-down of inventory	**-**	(46)
Impairment in value of property, plant and equipment	**-**	(109)
Impairment in value of right-of-use assets	**-**	(947)
Net gain on modification of lease term	**977**	-
Finance costs	**(1,782)**	(2,442)
Profit/(Loss) before income tax from discontinued operations	**10,109**	(3,671)
Income tax (expense)/credit	**(128)**	780
Profit/(Loss) for the financial year from discontinued operations	**9,981**	(2,891)
Profit/(Loss) for the financial year attributable to:		
Owners of the parent	**9,981**	(2,891)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

9. Discontinued operations and assets/liabilities classified as held for sale (Continued)

The classes of assets and liabilities classified as held for sale as at 30 June 2021 were as follows:

	2021 AUD'000
Assets	
Property, plant and equipment	**103,251**
Right-of-use assets	**1,571**
Inventories	**630**
	105,452
Liabilities	
Trade and other payables	**724**
Provision for employee entitlements	**1,366**
Lease liabilities	**1,351**
	3,441

As at 30 June 2021, the assets and liabilities classified as held for sale as disclosed above were denominated in Australian dollar.

Freehold property included in property, plant and equipment above is as follows:

Location	Description	Existing use	Gross land area (sqm)	Gross floor area (sqm)
93 Barrett Drive Alice Springs Northern Territory 0870 Australia	Lasseters Hotel Casino	Hotel and casino	79,600	22,608

As at end of the financial year, the above freehold property was pledged for bank borrowings granted to the Group (Note 22).

The Group's interests in land and buildings included in right-of-use assets above is as follows:

Location	Description	Existing use	Tenure of land	Gross floor area (sqm)
93 Barrett Drive Alice Springs Northern Territory 0870 Australia	Convention Centre	Convention Centre	20 years from 2002	4,852

On 7 May 2021, Ford Dynasty has entered into a Deed of Termination and Release with Northern Territory of Australia ("NTG") to terminate and surrender their respective rights under the Convention Centre head lease and sub lease on and from 11 May 2022 (the "Effective Date"). Other salient terms of the Deed include:

(i) The parties agree that termination of the lease documents releases and forever discharges all parties from any further performance of any obligations and any rights in relation to previous agreements relating to the Convention Centre;
(ii) NTG acknowledges and agrees that it has no claim or interest in the Convention Centre assets;
(iii) On and from the Effective Date, each party irrevocably and unconditionally releases and forever discharges the other party from all claims and liabilities;
(iv) On and from 7 May 2021, each party irrevocably and unconditionally warrants to the other party it shall not make any claim.

Pursuant to the Deed, NTG has deregistered their Personal Property Security Interests over the plant and equipment of the Convention Centre on 11 May 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

9. Discontinued operations and assets/liabilities classified as held for sale (Continued)

The cash flows of the discontinued operations included in the consolidated statement of cash flows are set out below:

	Group	
	2021 AUD'000	2020 AUD'000 (Restated)
Cash flows used in discontinued operations		
Operating activities	**7,782**	4,882
Investing activities	**(2,037)**	318
Financing activities	**(1,693)**	(314)
Net change in cash and cash equivalents	**4,052**	4,886

10. Profit/(Loss) per share

The calculations for profit/(loss) per share are based on:

	2021			2020		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Group						
Numerator						
Profit/(Loss) for the financial year attributable to owners of the parent (AUD'000)	**(3,299)**	**9,981**	**6,682**	(3,859)	(2,891)	(6,750)
Denominator						
Number of fully-paid ordinary shares in issue during the financial year applicable to profit/(loss) per share ('000)	**483,171**	**483,171**	**483,171**	483,171	483,171	483,171
Profit/(Loss) per share (cents)						
Basic and diluted	**(0.68)**	**2.06**	**1.38**	(0.80)	(0.60)	(1.40)

Basic profit/(loss) per share is calculated by dividing the net profit/(loss) for the financial year attributable to owners of the parent by the total number of ordinary shares in issue excluding treasury shares during the financial year. As the Group has no dilutive potential ordinary shares, the diluted profit/(loss) per share is equivalent to basic profit/(loss) per share.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

11. Property, plant and equipment

	Freehold land AUD'000	Freehold buildings/ licensed casino AUD'000	Plant and equipment AUD'000	Construction in-progress AUD'000	Total AUD'000
Group					
Cost or valuation					
Balance as at 1.7.2020	10,000	106,615	23,277	5	139,897
Transfer to assets held for sale	(10,000)	(85,545)	(24,623)	(113)	(120,281)
Revaluation	-	(16,196)	-	-	(16,196)
Revaluation adjustments	-	(3,394)	-	-	(3,394)
Additions	-	1	1,046	108	1,155
Reclassification from right-of-use assets at end of lease	-	-	793	-	793
Currency translation differences	-	-	(5)	-	(5)
Balance as at 30.6.2021	-	1,481	488	-	1,969
Representing:					
Cost	-	1,481	488	-	1,969
Valuation	-	-	-	-	-
	-	1,481	488	-	1,969
Accumulated depreciation					
Balance as at 1.7.2020	-	1,165	15,526	-	16,691
Transfer to assets held for sale	-	(170)	(16,860)	-	(17,030)
Revaluation adjustments	-	(3,394)	-	-	(3,394)
Depreciation for the financial year	-	3,394	1,351	-	4,745
Reclassification from right-of-use assets at end of lease	-	-	356	-	356
Currency translation differences	-	-	(3)	-	(3)
Balance as at 30.6.2021	-	995	370	-	1,365
Allowance for impairment in value					
Balance as at 1.7.2020 and 30.6.2021	-	486	109	-	595
Carrying amount					
Balance as at 30.6.2021	-	-	9	-	9

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

11. Property, plant and equipment (Continued)

	Freehold land AUD'000	Freehold buildings/ licensed casino AUD'000	Plant and equipment AUD'000	Leased assets and leasehold improvements AUD'000	Construction-in progress AUD'000	Total AUD'000
Group						
Cost or valuation						
Balance as at 1.7.2019	10,000	118,666	23,673	3,018	5	155,362
Adoption of SFRS(I) 16	-	-	-	(3,018)	-	(3,018)
Balance as at 1.7.2019 (restated)	10,000	118,666	23,673	-	5	152,344
Revaluation	-	(7,511)	-	-	-	(7,511)
Revaluation adjustments	-	(4,620)	-	-	-	(4,620)
Additions	-	80	318	-	-	398
Written off	-	-	(1,456)	-	-	(1,456)
Disposal	-	-	(100)	-	-	(100)
Reclassification from right-of-use assets at end of lease	-	-	837	-	-	837
Currency translation differences	-	-	5	-	-	5
Balance as at 30.6.2020	10,000	106,615	23,277	-	5	139,897
Representing:						
Cost	-	1,480	23,277	-	5	24,762
Valuation	10,000	105,135	-	-	-	115,135
	10,000	106,615	23,277	-	5	139,897

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

11. Property, plant and equipment (Continued)

	Freehold land AUD'000	Freehold buildings/ licensed casino AUD'000	Plant and equipment AUD'000	Leased assets and leasehold improvements AUD'000	Construction-in progress AUD'000	Total AUD'000
Accumulated depreciation						
Balance as at 1.7.2019	-	1,165	14,637	1,174	-	16,976
Adoption of SFRS(I) 16	-	-	-	(1,174)	-	(1,174)
Balance as at 1.7.2019 (restated)	-	1,165	14,637	-	-	15,802
Revaluation adjustments	-	(4,620)	-	-	-	(4,620)
Depreciation for the financial year	-	4,620	1,890	-	-	6,510
Written off	-	-	(1,456)	-	-	(1,456)
Disposal	-	-	(86)	-	-	(86)
Reclassification from right-of-use assets at end of lease	-	-	536	-	-	536
Currency translation differences	-	-	5	-	-	5
Balance as at 30.6.2020	-	1,165	15,526	-	-	16,691
Allowance for impairment in value						
Balance as at 1.7.2019	-	486	-	-	-	486
Impairment loss	-	-	109	-	-	109
Balance as at 30.6.2020	-	486	109	-	-	595
Carrying amount						
Balance as at 30.6.2020	10,000	104,964	7,642	-	5	122,611

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

11. Property, plant and equipment (Continued)

	Plant and equipment AUD'000
Company	
Cost	
Balance as at 1.7.2020 and 30.6.2021	**27**
Accumulated depreciation	
Balance as at 1.7.2020 and 30.6.2021	**27**
Carrying amount	
Balance as at 30.6.2021	**-**
Cost	
Balance as at 1.7.2019 and 30.6.2020	27
Accumulated depreciation	
Balance as at 1.7.2019 and 30.6.2020	27
Carrying amount	
Balance as at 30.6.2020	-

In the previous financial year, the Group carried out a review of the recoverable amount of the plant and equipment in the Spa and Wellness segment due to the losses reported by the segment and the expectation of a lack of future positive cash flows from the assets. The recoverable amount was determined based on the fair value less costs of disposal which has been assessed to be negligible due to the absence of comparable market as at 30 June 2020. Accordingly, the management recorded a full impairment loss of AUD109,000 on the assets in the previous financial year.

During the financial year, the Group carried out a review of the recoverable amount of the freehold land and freehold buildings/licensed casino. The recoverable amount of the freehold land and freehold buildings/licensed casino of AUD105,000,000 was determined based on the consideration of the proposed disposal. The assets were reclassified to non-current assets held for sale after the revaluation.

In the previous financial year, the Group's freehold land and freehold buildings/licensed casino were valued on 13 July 2020 by CBRE Valuations Pty Limited, an independent valuer in Australia. Valuations were made on a going concern basis, for the purpose of first mortgage security. The market value was derived using the discounted cash flow method by forecasting future cash flows for a period of up to 5 years, using a discount rate of 10% and terminal yield of 9% in order to calculate the present value of those cash flows. The higher the discount rate, the lower is the market value. The higher the terminal yield, the higher is the market value. The valuations conform to International Valuation Standards and is based on the assets' highest and best use, which is in line with their actual use. The resulting fair value of the freehold land and freehold buildings/licensed casino is considered level 3 recurring fair value measurement.

The revaluation deficit of AUD16,196,000 (2020: AUD7,511,000) net of applicable deferred income taxes of AUD4,826,000 (2020: AUD2,253,000) was debited to an asset revaluation reserve in shareholders' equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

12. Right-of-use assets

	Leased premises AUD'000	Equipment AUD'000	Total AUD'000
Group			
Cost			
Balance as at 1.7.2020	**110**	**1,620**	**1,730**
Additions	**-**	**700**	**700**
Amortisation charge	**(48)**	**(267)**	**(315)**
Transfer to assets held for sale	**-**	**(1,571)**	**(1,571)**
Reclassification to property, plant and equipment at end of lease	**-**	**(437)**	**(437)**
Currency translation differences	**(2)**	**(5)**	**(7)**
Balance as at 30.6.2021	**60**	**40**	**100**
Cost			
- Reclassified from property, plant and equipment (Note 11)	-	1,844	1,844
- Adoption of SFRS(I) 16	1,370	-	1,370
Balance as at 1.7.2019	1,370	1,844	3,214
Additions	-	521	521
Amortisation charge	(315)	(446)	(761)
Impairment in value of right-of-use assets	(947)	-	(947)
Reclassification to property, plant and equipment at end of lease	-	(301)	(301)
Currency translation differences	2	2	4
Balance as at 30.6.2020	110	1,620	1,730

In the previous financial year, the management carried out a review of the recoverable amount of the right-of-use assets in the Spa and Wellness segment due to the losses reported by the segment and the expectation of a lack of future positive cash flows from the assets. The recoverable amount was determined based on the fair value less costs of disposal which has been assessed to be negligible due to the absence of comparable market rental to be used as a reference for the 'fair value less costs of disposal'. Accordingly, the management recorded a full impairment loss of AUD947,000 on the right-of-use assets in the Spa and Wellness segment in the previous financial year.

As at 30 June 2021, equipment with carrying amounts of AUD40,000 (2020: AUD1,620,000) have been mortgaged as security for the lease liabilities of AUD169,000 (2020: AUD1,525,000). The assets will revert to the lessors in the event of default by the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

12. Right-of-use assets (Continued)

As at 30 June 2020, the Group's interests in land and buildings were as follows:

Location	Description	Existing use	Tenure of land	Gross floor area (sqm)
93 Barrett Drive Alice Springs Northern Territory 0870 Australia	Convention Centre	Convention centre	20 years from 2002	4,852
73 Seaworld Drive Main Beach QLD 4217 Australia	The Golden Door Spa and Club at Mirage	Spa and health club	20 years from 2003	5,534

On 14 August 2020, The Golden Door Pty Limited has entered into a Deed of Surrender of Sublease to surrender the Group's leasehold interests in The Golden Door Spa and Club at Mirage on 18 September 2020. Consequently, the right-of-use assets and corresponding lease liabilities relating to The Golden Door Spa and Club at Mirage has been derecognised, resulting in a net gain on modification of lease term of AUD977,000 recognised during the financial year ended 30 June 2021.

13. Intangible assets

	Patents and trademarks AUD'000	Product development costs AUD'000	Total AUD'000
Group			
Cost			
Balance as at 1.7.2020	**1,591**	**57**	**1,648**
Written off	**(1,591)**	**(57)**	**(1,648)**
Balance as at 30.6.2021	**-**	**-**	**-**
Allowance for impairment in value			
Balance as at 1.7.2020	**1,591**	**57**	**1,648**
Written off	**(1,591)**	**(57)**	**(1,648)**
Balance as at 30.6.2021	**-**	**-**	**-**
Carrying amount			
Balance as at 30.6.2021	**-**	**-**	**-**
Cost			
Balance as at 1.7.2019 and 30.6.2020	1,591	57	1,648
Allowance for impairment in value			
Balance as at 1.7.2019 and 30.6.2020	1,591	57	1,648
Carrying amount			
Balance as at 30.6.2020	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

14. Investments in subsidiaries

	Company	
	2021 AUD'000	2020 AUD'000
Unquoted equity shares in corporations, at cost	**26,273**	26,202
Less: Allowance for impairment in value	**(11,893)**	(11,893)
	14,380	14,309

Movements in the allowance for impairment in value are as follows:

	Company	
	2021 AUD'000	2020 AUD'000
Balance as at the beginning of the financial year	**11,893**	11,647
Impairment loss during the financial year	**-**	246
Balance as at the end of the financial year	**11,893**	11,893

During the financial year, the Company carried out a review on the adequacy of the allowance for impairment in value of investments in subsidiaries. Based on the review, no allowance for impairment (2020: AUD246,000) has been recognised in profit or loss of the Company. The Company estimated the recoverable amount of the investments in subsidiaries based on its fair value less costs to sell, determined primarily based on the underlying net assets amount of the subsidiaries, as the carrying value of the net assets approximates fair value.

During the financial year, a subsidiary of the Company, Lasseters Properties Sdn. Bhd. ("LPSB") issued and allotted 219,980 new ordinary shares to the Company for a cash consideration of AUD71,076 (equivalent to RM219,980). As a result of the above, the Company's interest in the subsidiary increased from 80% to 99.99%.

Particulars of the subsidiaries are as follows:

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
				2021 %	2020 %	2021 %	2020 %
	Held by the Company						
[1]	Lasseters Investments Pte. Ltd.	Singapore	Investment holding company	**100**	100	**-**	-
[1]	Lasseters International Pte. Ltd.	Singapore	Investment holding company	**100**	100	**-**	-
[1]	Lasseters Interactive Gaming Pte. Ltd.	Singapore	Investment holding company	**100**	100	**-**	-
[1]	Lasseters Resorts Pte. Ltd.	Singapore	Investment holding company	**100**	100	**-**	-
[2]	Lasseters Holdings Pty Ltd	Australia	Investment holding company	**100**	100	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

14. Investments in subsidiaries (Continued)

Particulars of the subsidiaries are as follows: (Continued)

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
				2021 %	2020 %	2021 %	2020 %
	Held by the Company						
[3]	Lasseters Management (M) Sdn. Bhd.	Malaysia	Provision of management services	**100**	100	**-**	-
[3]	Merry Palms Sdn. Bhd.	Malaysia	Property development	**80**	80	**20**	20
[3], [4]	Lasseters Properties Sdn. Bhd.	Malaysia	Properties and investment holding company	**100**	80	**-**	20
[6]	Warisan Jayasama Sdn. Bhd.	Malaysia	Property development, properties and investment holding company	**100**	-	**-**	-
	Held by Lasseters International Pte. Ltd.						
[2]	Lasseters Seaford Hotel Pty Ltd	Australia	Investment holding company	**100**	100	**-**	-
	Held by Lasseters Holdings Pty Ltd						
[2]	Ford Dynasty Pty Ltd	Australia	Casino operations, provision of hotel accommodation, convention centre, food and beverages business	**100**	100	**-**	-
[2]	Lasseters Health Club Pty Ltd	Australia	Management and operator of a health club	**100**	100	**-**	-
	Held by Lasseters Resorts Pte. Ltd.						
[2]	Lasseters CLG Pty Ltd	Australia	Investment holding company	**100**	100	**-**	-
	Held by Lasseters Seaford Hotel Pty Ltd						
[5]	Lasseters Valley Pty Ltd	Australia	Investment holding company	**100**	100	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

14. Investments in subsidiaries (Continued)

Particulars of the subsidiaries are as follows: (Continued)

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
				2021 %	2020 %	2021 %	2020 %
	Held by Lasseters CLG Pty Ltd						
[2]	Cypress Lakes Group Pty Limited	Australia	Investment holding company	**100**	100	**-**	-
	Held by Cypress Lakes Group Pty Limited						
[2]	Cypress Lakes Golf and Country Club Pty Limited	Australia	Dormant	**100**	100	**-**	-
[2]	Cypress Lakes Property Pty Limited	Australia	Dormant	**100**	100	**-**	-
[2]	The Golden Door Pty Limited	Australia	Provision of spa and wellness services	**100**	100	**-**	-
[2]	The Golden Door Holdings Pty Ltd	Australia	Dormant	**100**	100	**-**	-
	Held by The Golden Door Pty Limited						
[2], [7]	The Golden Door Health Retreat - Elysia Pty Limited	Australia	Provision of spa and wellness services	**-**	100	**-**	-
[2]	The Golden Door Health Retreat - Willow Vale Pty Ltd	Australia	Dormant	**100**	100	**-**	-

[1] Audited by BDO LLP, Singapore, a member firm of BDO International Limited.
[2] Audited by BDO Audit Pty Ltd, Chartered Accountants, Brisbane, Australia, a member firm of BDO International Limited.
[3] Audited by BDO PLT, Chartered Accountants, Malaysia, a member firm of BDO International Limited.
[4] Effective from 18 May 2021, the effective equity interest held by the Group is 99.99%, rounded up to 100% (30 June 2020 : 80%).
[5] This subsidiary is exempted from audit.
[6] This subsidiary was incorporated on 28 June 2021 for RM1.
[7] This subsidiary was disposed on 15 December 2020 for AUD1.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

15. Investment in joint venture

	Group	
	2021 AUD'000	**2020 AUD'000**
Unquoted equity shares, at cost	**183**	183
Redeemable non-convertible non-cumulative preference shares ("RNCNCPS")	**2,398**	2,098
Share of post-acquisition results	**(240)**	(153)
Share of foreign currency translation reserve	**(171)**	(30)
	2,170	2,098

Details of the joint venture are as follows:

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group	
				2021 %	**2020 %**
[1]	Super Ace Resources Sdn. Bhd. ("SARSB")	Malaysia	Property development, properties and investments holding	**29.0**	44.2

[1] Audited by BDO PLT, Chartered Accountants, Malaysia, a member firm of BDO International Limited.

During the financial year ended 30 June 2021, the Group's interest in Lasseters Properties Sdn. Bhd. increased from 80% to 99.99% (Note 14) and SARSB has issued and allotted 897,000 ordinary shares of RM1 each to Paramount Corporation Berhad ("PCB"), the Group's joint venture partner. As a result, the Group's effective interest in SARSB has reduced from 44.2% to 29.0%.

The summarised financial information of joint venture, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	2021 AUD'000	**2020 AUD'000**
Results		
Revenue	**7**	-
Loss for the financial year	**(246)**	(94)
Assets:		
Non-current assets	**22,109**	17,742
Current assets	**32**	14
	22,141	17,756
Liabilities:		
Current liabilities	**(1,517)**	(4,762)
Non-current liabilities	**(18,020)**	(11,816)
	(19,537)	(16,578)
Net assets	**2,604**	1,178

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

15. Investment in joint venture (Continued)

Reconciliation of net assets to carrying amount:

	Group	
	2021 AUD'000	2020 AUD'000
Net assets	**2,604**	1,178
Interest in joint venture	**29.0%**	44.2%
Group's share of net assets	**755**	521
Add: Intragroup adjustments	**1,415**	1,577
Carrying amount of investment in joint venture	**2,170**	2,098

As at 30 June 2021, the Company has given a corporate guarantee of Nil (2020: AUD18,840,000 (equivalent to RM55,500,000)) to a bank for banking facilities granted to SARSB, whilst PCB has given a corporate guarantee of AUD17,806,000 (equivalent to RM55,500,000) to the bank. Pursuant to the joint venture agreement, the Company will be proportionately liable for any claims against the corporate guarantee provided by PCB in accordance with its proportion of ownership interest of 29%. Accordingly, the Company undertakes to unconditionally indemnify PCB their proportionate share of any claims and liabilities arising thereof.

During the financial year ended 30 June 2021, 12,914,000 (2020: 3,900,000) RNCNCPS were issued for AUD4,398,000 (equivalent to RM12,914,000) (2020: AUD1,361,000 (equivalent to RM3,900,000)) by SARSB. The consideration was satisfied by the capitalisation of shareholders' advances due from SARSB to the respective shareholders and fresh cash injection. The holders of the RNCNCPS may redeem in whole or in part thereof by giving not less than one month's prior written notice to SARSB of its intention to do so, when the joint venture is financially able to facilitate the redemption. A non-cumulative 3% dividend per annum is payable on the RNCNCPS, subject to profitability and cash availability of SARSB.

As a result of the above, the Group subscribed to additional 880,000 (2020: 2,145,000) of RNCNCPS in SARSB by way of capitalisation of amount due from joint venture and fresh cash injection totalling AUD300,000 (equivalent to RM880,000) (2020: AUD748,000 (equivalent to RM2,145,000)).

16. Membership rights

	Group and Company	
	2021 AUD'000	2020 AUD'000
Membership rights, at cost	**-**	38

As at the end of the previous financial year, the membership rights were held in trust by a key management personnel of the Company.

17. Inventories

	Group	
	2021 AUD'000	2020 AUD'000
Consumables	**15**	541

The cost of consumables recognised as an expense in profit or loss amounted to AUD3,448,000 (2020: AUD3,318,000).

Consumables of AUD15,000 (2020: AUD541,000) of the Group are held as security by way of floating charge for the bank facilities as set out in Note 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

18. Trade and other receivables

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Trade receivables	**1,063**	138	**-**	-
Less: Loss allowance	**(14)**	(14)	**-**	-
	1,049	124	**-**	-
Other receivables				
- third parties	**88**	486	**22**	11
- joint venture	**6**	308	**-**	-
	94	794	**22**	11
Less: Loss allowance	**(33)**	(33)	**-**	-
	61	761	**22**	11
Contract assets (Note 4)	**27**	-	**-**	-
GST recoverable	**-**	20	**-**	-
Prepayments	**144**	117	**-**	-
Due from subsidiaries				
- trade	**-**	-	**-**	488
- non-trade	**-**	-	**14,423**	12,393
- loans	**-**	-	**21,125**	20,137
Less: Loss allowance	**-**	-	**(22,940)**	(33,018)
	-	-	**12,608**	-
	1,281	1,022	**12,630**	11

Movements in loss allowance for trade and other receivables (credit impaired) were as follows:

	Group	
	2021 AUD'000	2020 AUD'000
Balance as at the beginning of the financial year	**47**	-
Loss allowance recognised during the financial year	**-**	47
Balance as at the end of the financial year	**47**	47

Movements in loss allowance for amount due from subsidiaries (credit impaired) were as follows:

	Company	
	2021 AUD'000	2020 AUD'000
Balance as at the beginning of the financial year	**33,018**	31,369
(Reversal)/Loss allowance recognised during the financial year	**(10,064)**	1,649
Currency translation differences	**(14)**	-
Balance as at the end of the financial year	**22,940**	33,018

During the financial year, there was a reassignment of debt within the Group, and debt owed to the Company from subsidiaries, Cypress Lakes Property Pty Ltd and Cypress Lakes Group Limited were reassigned to a subsidiary, Ford Dynasty Pty Ltd. As a result of the above, the Company has recognised a reversal of loss allowance of AUD10,064,000 (2020: loss allowance of AUD1,649,000).

Trade receivables are non-interest bearing and generally on 15 to 90 days' credit terms.

Other receivables comprise mainly refundable deposits paid and operating floats.

NOTES TO THE FINANCIAL STATEMENTS

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18. Trade and other receivables (Continued)

Trade and other receivables of AUD1,096,000 (2020: AUD543,000) of the Group are held as security by way of floating charge for the bank facilities as set out in Note 22 to the financial statements.

The amount due from joint venture is non-trade in nature, unsecured, non-interest bearing and repayable on demand.

The amounts due from subsidiaries which are trade in nature represent management and technical services fee receivable which are unsecured and have a credit term of 7 days. Amounts outstanding for more than 7 days bear interest at 3% per annum. During the financial year, interest income of Nil (2020: AUD15,000) was waived by the Company.

The amounts due from subsidiaries which are non-trade in nature and the loans to subsidiaries are unsecured, bear interest at 3% per annum and are repayable on demand. During the financial year, interest income of AUD892,000 (2020: AUD967,000) was waived by the Company.

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	2021 AUD'000	**2020 AUD'000**	**2021 AUD'000**	**2020 AUD'000**
Australian dollar	**1,236**	655	**12,608**	11
Singapore dollar	**23**	12	**-**	-
Malaysian ringgit	**22**	355	**22**	-
	1,281	1,022	**12,630**	11

19. Cash and cash equivalents

	Group		Company	
	2021 AUD'000	**2020 AUD'000**	**2021 AUD'000**	**2020 AUD'000**
Cash and bank balances as per statements of financial position	**5,742**	1,071	**97**	16
Bank overdrafts (Note 22)	**(480)**	(910)		
Cash and cash equivalents as per consolidated statement of cash flows	**5,262**	161		

Bank balances of approximately AUD970,000 as at 30 June 2020 bear interest from Nil to 1% per annum.

Cash and bank balances of AUD5,625,000 (2020: AUD994,000) of the Group are held as security by way of floating charge for the bank facilities as set out in Note 22 to the financial statements.

Cash and bank balances are denominated in the following currencies:

	Group		Company	
	2021 AUD'000	**2020 AUD'000**	**2021 AUD'000**	**2020 AUD'000**
Australian dollar	**5,629**	1,002	**1**	1
Singapore dollar	**94**	14	**96**	15
Malaysian ringgit	**19**	55	**-**	-
	5,742	1,071	**97**	16

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

20. Trade and other payables

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Current liabilities				
Trade payables	**1,303**	2,127	**-**	-
Due to subsidiaries				
- trade	**-**	-	**635**	898
- non-trade	**-**	-	**3,596**	1,456
	-	-	**4,231**	2,354
Contract liabilities (Note 4)	**104**	402	**-**	-
Other payables and accruals	**3,660**	2,839	**641**	649
Gaming tax payables	**284**	327	**-**	-
GST payable	**301**	251	**-**	-
Due to related parties (non-trade)	**866**	1,179	**-**	-
Due to Directors (non-trade)	**1,444**	1,528	**-**	-
Redeemable non-convertible preference shares ("RNCPS")	**850**	62	**-**	-
	8,812	8,715	**4,872**	3,003
Non-current liabilities				
Other payables	**272**	336	**-**	-
Redeemable non-convertible preference shares ("RNCPS")	**-**	715	**-**	-
	272	1,051	**-**	-
	9,084	9,766	**4,872**	3,003

Trade payables are non-interest bearing and are normally settled between 7 to 45 days.

The trade amount due to a subsidiary represent management fee payable which are unsecured and have a credit term of 7 days. Amounts outstanding for more than 7 days bear interest at 7.5% per annum.

The non-trade amount due to a subsidiary, related parties and Directors are unsecured, interest-free and repayable on demand.

Other payables and accruals comprise mainly payables for payroll taxes, superannuation contributions and other operating expenses.

Redeemable non-convertible preference shares ("RNCPS")

During the financial year ended 30 June 2020, a subsidiary of the Company, Lasseters Properties Sdn. Bhd. ("LPSB"), entered into a subscription agreement with a subscriber to issue 2,300,000 RNCPS at an aggregate price of AUD838,000 (equivalent to RM2,300,000). As at 30 June 2020, the RNCPS were issued and fully paid.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

20. Trade and other payables (Continued)

Redeemable non-convertible preference shares ("RNCPS") (Continued)

The RNCPS shall be redeemed in the following manner:

(i) The first tranche of 1,300,000 RNCPS shall be redeemed in full at redemption price of AUD0.4 (equivalent to RM1.1913) per share on 2 March 2022; and

(ii) The second tranche of 1,000,000 RNCPS shall be redeemed at the redemption price of AUD0.4 (equivalent to RM1.1913) per share in the following manner:-

(a) 90,000 RNCPS at the end of the 6th month;

(b) 90,000 RNCPS at the end of the 12th month;

(c) 90,000 RNCPS at the end of the 18th month; and

(d) the balance to be fully redeemed at the end of the 24th month;

from the date of the first issuance of the second tranche of RNCPS or any other date as may be mutually agreed by the shareholders of LPSB.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Australian dollar	**4,643**	5,169	**3,596**	1,456
Singapore dollar	**703**	737	**641**	649
Malaysian ringgit	**3,738**	3,860	**635**	898
	9,084	9,766	**4,872**	3,003

21. Provisions for employee entitlements

	Group	
	2021 AUD'000	2020 AUD'000
Current liabilities	**-**	1,174
Non-current liabilities	**-**	191
	-	1,365

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

21. Provisions for employee entitlements (Continued)

Movements in provisions for employee entitlements during the financial year were as follows:

	Group	
	2021 AUD'000	2020 AUD'000
Balance as at the beginning of the financial year	**1,365**	1,412
Provision made during the financial year	**691**	891
Provision utilised	**(690)**	(642)
Transfer to liabilities held for sale	**(1,366)**	-
Reversal during the financial year	**-**	(296)
Balance as at the end of the financial year	**-**	1,365

22. Bank borrowings

	Group	
	2021 AUD'000	2020 AUD'000
Current liabilities		
Bank overdrafts (Note 19)	**480**	910
Commercial bills	**6,160**	1,500
	6,640	2,410
Non-current liabilities		
Commercial bills	**57,226**	63,636
	63,866	66,046

Non-current bank borrowings are repayable as follows:

	Group	
	2021 AUD'000	2020 AUD'000
In the second year	**57,226**	63,636

As at the end of the financial year, the Group has approximately AUD1,038,000 (2020: AUD 2,235,000) of bank borrowings available but unutilised.

As at 30 June 2021, bank overdrafts bear interest from 7.56% to 8.42% (2020: 7.81% to 8.42%) per annum and are repayable on demand.

As at 30 June 2021, commercial bills bear interest from 3.03% to 3.47% (2020: 3.10% to 6.10%) per annum and are repayable on a quarterly basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

22. Bank borrowings (Continued)

As at the end of the financial year, the bank borrowings of the Group were secured by:

Bank overdrafts:

(a) fixed and floating charges over the present and future assets of Merry Palms Sdn. Bhd.; and

(b) corporate guarantee for AUD481,000 equivalent or RM1,500,000 (2020: AUD509,000 equivalent or RM1,500,000) executed by the Company.

Commercial bills:

(a) fixed and floating charges over the all the assets of Ford Dynasty Pty Ltd, Lasseters Holdings Pty Ltd, Cypress Lakes Group Pty Limited, Cypress Lakes Golf and Country Club Pty Limited, Cypress Lakes Property Pty Limited, The Golden Door Pty Limited, The Golden Door Holdings Pty Ltd, The Golden Door Health Retreat – Willow Vale Pty Ltd, Lasseters CLG Pty Ltd and Lasseters Health Club Pty Ltd;

(b) registered mortgage over the freehold land and buildings of Ford Dynasty Pty Ltd;

(c) letter of subordination of intra-group loans from the Company, Lasseters Investments Pte. Ltd., Lasseters Seaford Hotel Pty Ltd, Ford Dynasty Pty Ltd and Lasseters CLG Pty Ltd; and

(d) interlocking guarantee and indemnity between Ford Dynasty Pty Ltd, Lasseters Holdings Pty Ltd, Cypress Lakes Group Pty Limited, Cypress Lakes Golf and Country Club Pty Limited, Cypress Lakes Property Pty Limited, The Golden Door Pty Limited, The Golden Door Holdings Pty Ltd, The Golden Door Health Retreat – Willow Vale Pty Ltd, Lasseters CLG Pty Ltd and Lasseters Health Club Pty Ltd.

Commercial bills of Nil (2020: AUD31,912,500) are arranged at fixed interest rates and expose the Group to fair value interest rate risk. Other borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The interest rates of these floating rate loans are repriced at intervals of 1 to 6 months (2020: 1 to 6 months).

The carrying amounts of current bank borrowings approximate their fair values. The fair values of non-current bank borrowings are as follows:

	Group	
	2021 AUD'000	**2020 AUD'000**
Commercial bills	**54,231**	60,419

The management estimates the fair value of the bank borrowings from a discounted cash flow analysis, using discount rates based on prevailing available market borrowing rates at the end of the financial year and this is considered to be level 2 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

22. Bank borrowings (Continued)

Bank borrowings are denominated in the following currencies:

	Group	
	2021 AUD'000	2020 AUD'000
Australian dollar	**63,386**	65,539
Malaysian ringgit	**480**	507
	63,866	66,046

23. Lease liabilities

	Leased premises AUD'000	Equipment AUD'000	Total AUD'000
Group			
Balance as at 1.7.2020	**1,110**	**1,525**	**2,635**
Additions	**-**	**669**	**669**
Interest expense	**5**	**64**	**69**
Lease payments			
- Principal portion	**(52)**	**(662)**	**(714)**
- Interest portion	**(5)**	**(64)**	**(69)**
Modification to lease terms	**(977)**	**-**	**(977)**
Transfer to liabilities held for sale	**-**	**(1,351)**	**(1,351)**
Currency translation differences	**(7)**	**(12)**	**(19)**
Balance as at 30.6.2021	**74**	**169**	**243**

	Leased premises AUD'000	Equipment AUD'000	Total AUD'000
Group			
Balance as at 1.7.2019			
- Finance lease liabilities under SFRS(I) 1-17	-	1,874	1,874
- Adoption of SFRS(I) 16	1,398	-	1,398
	1,398	1,874	3,272
Additions	-	549	549
Interest expense	63	84	147
Lease payments			
- Principal portion	(288)	(894)	(1,182)
- Interest portion	(63)	(84)	(147)
Currency translation differences	-	(4)	(4)
Balance as at 30.6.2020	1,110	1,525	2,635

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

23. Lease liabilities (Continued)

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

	Group	
	2021 AUD'000	2020 AUD'000
Contractual undiscounted cash flows		
- Not later than a year	**127**	1,141
- Between one and two years	**89**	1,514
- Between two and five years	**39**	172
	255	2,827
Less: Future interest expense	**(12)**	(192)
Present value of lease liabilities	**243**	2,635
Presented in consolidated statement of financial position		
- Current	**119**	1,034
- Non-current	**124**	1,601
	243	2,635

The lease liabilities comprised mainly leases of leased premises and equipment. All leases were on a fixed repayment basis and no arrangements had been entered into for contingent rental payments.

As at 30 June 2021, the weighted average incremental borrowing rate applied ranged from 4.55% to 5.03% (2020: 4.55% to 6.07%) per annum.

The Group's obligations under leases of AUD169,000 (2020: AUD1,525,000) was secured over certain equipment (Note 12), which will revert to the lessors in the event of default by the Group.

The lease liabilities are denominated in the following currencies:

	Group	
	2021 AUD'000	2020 AUD'000
Australian dollar	**-**	2,272
Malaysian ringgit	**243**	363
	243	2,635

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

24. Deferred tax liabilities

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Balance as at the beginning of the financial year	**13,821**	16,831	**2**	2
Credited to profit or loss	**(2,040)**	(757)	**-**	-
Deferred tax on revaluation deficit (Note 28)	**(4,826)**	(2,253)	**-**	-
Balance as at the end of the financial year	**6,955**	13,821	**2**	2

Deferred tax assets/(liabilities) are attributable to the following:

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Provisions for employee entitlements	**396**	302	**-**	-
Accruals	**289**	284	**-**	-
Revaluation surplus	**(1,290)**	(25,783)	**-**	-
Property, plant and equipment	**(1,394)**	4,134	**-**	-
Capital loss	**(4,951)**	7,246	**-**	-
Other temporary differences	**(5)**	(4)	**(2)**	(2)
	(6,955)	(13,821)	**(2)**	(2)

	Group	
	2021 AUD'000	2020 AUD'000
Unrecognised deferred tax assets		
Balance as at the beginning of the financial year	**20,668**	19,158
Deferred tax not recognised	**-**	1,117
Utilisation of previously unrecognised tax losses	**(4,124)**	-
Adjustments	**(711)**	393
Balance as at the end of the financial year	**15,833**	20,668

	Group	
	2021 AUD'000	2020 AUD'000
Unrecognised deferred tax assets arise as a result of:		
Unutilised tax losses	**12,597**	17,529
Unabsorbed capital allowances	**3,236**	3,139
	15,833	20,668

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

24. Deferred tax liabilities (Continued)

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. As at the end of the financial year, the Group had unutilised tax losses of approximately AUD44,682,000 (2020: AUD62,931,000) and unabsorbed capital allowances of approximately AUD10,798,000 (2020: AUD10,472,000) available for offset against future taxable profits subject to the agreement by the tax authorities and provisions of the tax legislations of the respective countries in which the Group operates. No deferred tax assets have been recognised in respect of the unutilised tax losses and unabsorbed capital allowances as the availability of sufficient future taxable profits to realise these future benefits is uncertain. Accordingly, these deferred tax assets have not been recognised in the consolidated financial statements of the Group in accordance with the accounting policy in Note 2.9 to the financial statements. These tax losses and capital allowances have no expiry date subject to the conditions imposed by law.

25. Share capital

	Group and Company			
	2021		2020	
	SGD'000	AUD'000	SGD'000	AUD'000
Issued and fully-paid				
Balance as at the beginning and end of the financial year	**66,437**	**57,554**	66,437	57,554

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

26. Treasury shares

	Group and Company			
	2021	2020	2021	2020
	Number of ordinary shares		AUD'000	AUD'000
Issued and fully-paid				
Balance as at the beginning and end of the financial year	**3,548,000**	3,548,000	**426**	426

The Company acquired 3,548,000 of its own shares through purchases on the Singapore Exchange Securities Trading Limited. The total amount paid to acquire the shares was AUD426,000 and has been deducted from equity attributable to owners of the parent.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

27. Foreign currency translation reserve

Group

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the foreign operations where functional currencies are different from that of the Group's presentation currency and is non-distributable.

Company

Foreign currency translation reserve of the Company represents foreign currency translation differences arising from the change in presentation currency of the Company in the previous financial years.

Movements in foreign currency translation reserve are shown in the statements of changes in equity.

28. Revaluation reserve

	Group	
	2021 AUD'000	**2020 AUD'000**
Non-distributable		
Balance as at the beginning of the financial year	**46,773**	52,031
Deficit on revaluation of land and buildings	**(16,196)**	(7,511)
Deferred tax on revaluation deficit	**4,826**	2,253
Balance as at the end of the financial year	**35,403**	46,773

Revaluation reserve pertains to the revaluation of freehold land and buildings/licensed casino.

29. Accumulated losses

Included in accumulated losses of the Group and the Company is accumulated bargain purchase of approximately AUD25,237,000 which is non-distributable. Movements in accumulated losses during the financial year were shown in statements of changes in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

30. Significant related party transactions

Compensation of key management personnel

The remuneration of Directors and other members of key management personnel of the Group and of the Company during the financial year were as follows:

	2021 AUD'000	2020 AUD'000
Group		
Directors' fees	**320**	280
Short-term employee benefits	**1,905**	2,036
Post-employment benefits	**89**	90
	2,314	2,406
Presented in consolidated statement of comprehensive income		
- Continuing operations	**1,086**	1,383
- Discontinued operations	**1,228**	1,023
	2,314	2,406

The above includes the following remuneration to the Directors of the Company:

	2021 AUD'000	2020 AUD'000
Group		
Directors of the Company		
Directors' fee	**320**	280
Short-term employee benefits	**181**	387
Post-employment benefits	**8**	8
	509	675
Presented in consolidated statement of comprehensive income		
Continuing operations	**374**	567
Discontinued operations	**135**	108
	509	675

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting

Management has determined the operating segments based on the reports reviewed by the chief operating decision-makers (Note 2.21).

Management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in these primary geographic areas: Australia and Malaysia. All these locations are engaged in the casino, spa and wellness and property development business segments.

The Group has three reportable segments being "Casino", "Spa and Wellness" and "Property Development".

The Casino segment offers gaming facilities, accommodation, a convention centre, food and beverages outlets, bars, commercial gym and spa.

The Spa and Wellness segment offers spa and wellness programs, gym and retail outlets.

The Property Development segment involves in property investment and management, property and hospitality development.

The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

Management monitors the operating results of the segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operation profit or loss which is similar to the accounting profit or loss.

Income taxes are managed on a Group basis.

The accounting policies of the operating segments are the same of those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense not including non-recurring gains and losses and foreign exchange gains or losses.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

The Group accounts for intersegment sales and transfer as if the sales or transfers were to third parties, which approximate market prices. These intersegment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting (Continued)

	Australia		Malaysia			
	Casino AUD'000	Spa and wellness AUD'000	Property development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2021						
Revenue						
Revenue from external customers	-	50	-	24	-	74
Inter-segment revenues	-	-	-	3,637	(3,637)	-
Total revenue from continuing operations	-	50	-	3,661	(3,637)	74
Total revenue from discontinued operations						46,337
Total revenue						46,411
Results						
Segment results	(12)	34,359	(242)	11,598	(47,914)	(2,211)
Finance costs	-	(679)	(39)	(39)	1	(756)
Loss before income tax	(12)	33,680	(281)	11,559	(47,913)	(2,967)
Share of losses of joint venture						(87)
Income tax expense						(293)
Loss for the financial year from continuing operations						(3,347)
Profit for the financial year from discontinued operations						9,981
Non-controlling interests						48
Profit attributable to owners of the parent						6,682

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting (Continued)

	Australia		Malaysia			
	Casino AUD'000	Spa and wellness AUD'000	Property development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2021						
Significant non-cash items						
Continuing operations						
Depreciation expenses	-	-	-	10	-	10
Amortisation of right-of-use assets	-	-	-	127	-	127
Write back trade and other payables	-	-	-	(82)	-	(82)
Discontinued operations						
Depreciation expenses	4,735	-	-	-	-	4,735
Amortisation of right-of-use assets	188	-	-	-	-	188
Net gain on modification of lease term	-	(977)	-	-	-	(977)
Capital expenditures						
Property, plant and equipment						
- continuing operations	-	-	-	3	-	3
- discontinued operations	1,152	-	-	-	-	1,152
Segment assets	5,816	1,061	1,707	14,645	(13,912)	9,317
Assets classified as held for sale						105,452
Total assets						114,769
Segment liabilities	80,250	8,136	1,667	39,904	(56,764)	73,193
Current income tax payable						717
Deferred tax liabilities						6,955
Liabilities classified as held for sale						3,441
Total liabilities						84,306

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting (Continued)

	Australia		Malaysia			
	Casino AUD'000	Spa and wellness AUD'000	Property development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2020						
Revenue						
Revenue from external customers	-	-	-	27	-	27
Inter-segment revenues	-	-	-	875	(875)	-
Total revenue from continuing operations	-	-	-	902	(875)	27
Total revenue from discontinued operations						36,191
Total revenue						36,218
Results						
Segment results	(1)	(133)	(71)	(3,667)	1,278	(2,594)
Finance costs	-	(1,018)	(51)	(76)	4	(1,141)
Loss before income tax	(1)	(1,151)	(122)	(3,743)	1,282	(3,735)
Share of losses of joint venture						(94)
Income tax expense						(66)
Loss for the financial year from continuing operations						(3,895)
Loss for the financial year from discontinued operations						(2,891)
Non-controlling interests						36
Loss attributable to owners of the parent						(6,750)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting (Continued)

	Australia		Malaysia			
	Casino AUD'000	Spa and wellness AUD'000	Property development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2020						
Significant non-cash items						
Continuing operations						
Depreciation expenses	-	-	-	13	-	13
Amortisation of right-of-use assets	-	-	33	128	(4)	157
Impairment in value of investment in subsidiary	-	-	-	246	(246)	-
Loss allowance on intercompany receivables	-	-	-	1,652	(1,652)	-
Loss allowance on trade and other receivables	-	24	-	-	-	24
Discontinued operations						
Depreciation expenses	6,473	24	-	-	-	6,497
Amortisation of right-of-use assets	339	265	-	-	-	604
Impairment in value of property, plant and equipment	-	109	-	-	-	109
Impairment in value of right-of-use assets	-	947	-	-	-	947
Provision for financial guarantee contract	4,756	-	-	-	(4,756)	-
Loss allowance on trade and other receivables	-	23	-	-	-	23
Gain on disposal of property, plant and equipment	(9)	-	-	-	-	(9)
Gain on disposal of assets held for sale	-	(9)	-	-	-	(9)
Write-down of inventory	-	46	-	-	-	46
Capital expenditures						
Property, plant and equipment						
- continuing operations	-	-	-	4	-	4
- discontinued operations	394	-	-	-	-	394

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting (Continued)

	Australia		Malaysia			
	Casino AUD'000	Spa and wellness AUD'000	Property development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2020						
Segment assets	127,082	169	1,987	6,960	(7,087)	129,111
Total assets						129,111
Segment liabilities	53,479	41,799	1,653	42,353	(59,472)	79,812
Current income tax payable						28
Deferred tax liabilities						13,821
Total liabilities						93,661

Services information

	Gaming AUD'000	Accommodation AUD'000	Food and beverages AUD'000	Spa and wellness AUD'000	Convention centre AUD'000	Property development AUD'000	Others AUD'000	Consolidated AUD'000
2021								
Revenue from external customers - continuing operations	**-**	**-**	**-**	**-**	**-**	**-**	**74**	**74**
Revenue from external customers - discontinued operations								**46,337**
								46,411
2020								
Revenue from external customers - continuing operations	-	-	-	-	-	-	27	27
Revenue from external customers - discontinued operations								36,191
								36,218

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

31. Segment reporting (Continued)

Geographical information

	Australia AUD'000	Malaysia AUD'000	Consolidated AUD'000
2021			
Revenue from external customers			
- continuing operations	**50**	**24**	**74**
- discontinued operations			**46,337**
			46,411
2020			
Revenue from external customers			
- continuing operations	-	27	27
- discontinued operations			36,191
			36,218

The revenue information above is based on the location of the customers.

Location of non-current assets

	Australia AUD'000	Malaysia AUD'000	Consolidated AUD'000
2021			
Non-current assets	**-**	**2,279**	**2,279**
2020			
Non-current assets	124,090	2,387	126,477

Non-current assets consist of property, plant and equipment, right-of-use assets, investment in joint venture and membership rights.

32. Financial instruments, financial risk and capital management

The Group's activities expose it to financial risks (including credit risk, foreign currency risks, interest rate risks and liquidity risk) arising in the normal course of business. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The management is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management continually monitors the Group's financial risk management process to ensure that an appropriate balance between risk and control is achieved.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. The Group and the Company do not hold or issue derivative financial instruments for trading purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(a) Financial instruments

The following sets out the financial instruments at the end of financial year:

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Financial assets				
Trade and other receivables*	**1,110**	885	**12,630**	11
Cash and bank balances	**5,742**	1,071	**97**	16
Financial assets at amortised cost	**6,852**	1,956	**12,727**	27
Financial liabilities				
Trade and other payables**	**8,025**	8,339	**4,872**	3,003
Bank borrowings - secured	**63,866**	66,046	**-**	-
Lease liabilities	**243**	2,635	**-**	-
Financial liabilities at amortised cost	**72,134**	77,020	**4,872**	3,003

* Excluded contract assets, prepayments and GST recoverable.

** Excluded contract liabilities, gaming tax, payroll tax, superannuation and GST payable.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's and the Company's main class of financial assets that are subject to credit risk are trade and other receivables and cash and bank balances.

At the reporting date, the maximum exposure to credit risk is represented by the carrying amount each of financial asset in the statement of financial position except as follows:

	Company	
	2021 AUD'000	2020 AUD'000
Corporate guarantees provided for banking facilities granted to a subsidiary and joint venture	**4,333**	9,924

For the corporate guarantee issued, the Company has assessed that the subsidiary and joint venture have sufficient financial capabilities to meet its contractual cash flows obligation in the near future. Hence, the Company does not expect any material loss allowance under 12-month expected credit loss model.

The Group and the Company have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Group and the Company do not require collateral in respect of financial assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(b) Credit risk (Continued)

Trade receivables

The Group's exposure to credit risk from trade receivables is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk associated with the industry and country in which customers operate, as these factors may have an influence on credit risk.

The Group limits its exposure to credit risk by adopting the policy of dealing only with customers of good credit history and obtaining sufficient security where appropriate to mitigate credit risk.

Credit exposure to an individual counterparty is restricted by credit limit that is approved by the responsible officer based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the responsible officer.

The Group does not have any significant credit exposures to any single counterparty or any group of counterparties having similar characteristics.

The Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance using lifetime Expected Credit Loss ("ECL") model. The Group determines the ECL based on historical credit loss experience and past due status of the receivables, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. The Group are in the view that these customers are either active and or have a good track record and established creditworthiness with the Group. Therefore, the ECL on the trade receivables is assessed to be insignificant, other than the receivables that are credit impaired as disclosed in Note 18 to the financial statements.

Other receivables from third parties and joint venture

For other receivables from third parties and joint venture, the Group and the Company have taken into account information that it has available internally about these counterparties' past, current and expected operating performance and cash flow position. The Group and the Company monitor and assess at each reporting date on any indicator of significant increase in credit risk on the amount due from the respective counterparties, by considering their performance, any default in external debts, sufficiency of liquid assets and cash to repay their debts, and availability of recovery options.

Based on the assessment, the Group and the Company have determined that the credit risk for these assets has not increased significantly since their initial recognition, and accordingly, these assets have been measured based on 12-month expected credit loss model. At the reporting date, the Group and the Company did not expect any significant credit losses from non-performance by the counterparties, other than the receivables that are credit impaired as disclosed in Note 18 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(b) Credit risk (Continued)

Amounts due from subsidiaries

For amount due from subsidiaries, the Company has taken into account information that it has available internally about these subsidiaries' past, current and expected operating performance and cash flow position. The Company monitors and assesses at each reporting date on any indicator of significant increase in credit risk on the amount due from the respective subsidiaries, by considering their performance and any default in external debts.

Based on the assessment, the risk of default is considered to be high as these subsidiaries are in net current liabilities position and incur continuing losses which led to a significant increase in credit risk on these receivables. Hence, these receivables are assessed to be credit impaired, requiring the recognition of lifetime expected credit losses as disclosed in Note 18.

Cash and bank balances

As at 30 June 2021, the Group and the Company held cash and bank balances of AUD5,742,000 (2020: AUD1,071,000) and AUD97,000 (2020: AUD16,000) respectively. The cash and bank balances are held with banks, which are rated A3 to Aa3, based on Moody's ratings.

Expected credit loss on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group and the Company consider that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of allowance on cash and bank balances was negligible.

(c) Foreign currency risks

The Group and the Company incur foreign currency risk on transactions and balances that are denominated in currencies other than the entity's functional currency. The currency giving rise to this risk are Australian dollar ("AUD"), Singapore dollar ("SGD") and Malaysian ringgit ("MYR"). Exposure to foreign currency risk is monitored on an ongoing basis to ensure that the net exposure is at an acceptable level and the Group does not hold or issue derivative financial instruments for speculative purposes.

At the end of the financial year, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies were as follows:

	Assets		Liabilities	
	2021 AUD'000	**2020 AUD'000**	**2021 AUD'000**	**2020 AUD'000**
Group				
AUD	**-**	-	**958**	955
SGD	**118**	26	**893**	748
MYR	**119**	119	**635**	898
Company				
SGD	**118**	26	**641**	649
MYR	**-**	-	**635**	898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(c) Foreign currency risks (Continued)

Foreign currency sensitivity analysis

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of the entities. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the financial year end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's loss.

If the relevant foreign currency weakens by 10% against the functional currency, the profit or loss of the Group and of the Company will increase by the amounts as below.

	Group		Company	
	2021 AUD'000	2020 AUD'000	2021 AUD'000	2020 AUD'000
Australian dollar	**96**	96	**-**	-
Singapore dollar	**78**	88	**52**	62
Malaysian ringgit	**52**	78	**63**	90

If the relevant foreign currency strengthens by 10% against the functional currency, would have had the equal but opposite effect on the above currencies to the amounts shown above.

(d) Interest rate risks

The Group's and the Company's exposure to market risk for changes in interest rates relates primarily to bank borrowings and bank overdrafts with financial institutions. The Group maintains an efficient and optimal interest cost structure using a combination of fixed and variable rate debts, and long and short term borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate risks for financial liabilities at the end of the financial year. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the financial year was outstanding for the whole year. The sensitivity analysis assumes an instantaneous 100 basis points change in the interest rates from the end of the financial year, with all variables held constant.

If the interest rate increases/decreases by 1%, profit or loss of the Group will decrease/ increase by:

	Group	
	2021 AUD'000	2020 AUD'000
Bank overdrafts	**5**	9
Bank borrowings	**634**	332
	639	341

The profit or loss of the Company is not affected by changes in interest rates because the Company has no interest bearing liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(e) Liquidity risks

The Group and the Company actively manage their operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and bank balances to meet their working capital requirements. Short-term funding is obtained from overdraft facilities from banks and finance leases from financial institutions.

The following table details the Group's remaining contractual maturity for its non-derivative financial instruments. The table has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or pay. The table includes both interest and principal cash flows. As at end of the financial year, the Group has no derivative financial liabilities.

	Effective interest rates	Less than 1 year AUD'000	1 to 2 years AUD'000	2 to 5 years AUD'000	Total AUD'000
Group					
Financial liabilities					
2021					
Trade and other payables**	**-**	**7,753**	**272**	**-**	**8,025**
Bank borrowings	**3.03% - 3.47%**	**8,062**	**57,535**	**-**	**65,597**
Bank overdrafts	**7.56% - 8.42%**	**517**	**-**	**-**	**517**
Lease liabilities	**4.55% - 5.03%**	**127**	**89**	**39**	**255**
		16,459	**57,896**	**39**	**74,394**
2020					
Trade and other payables**	-	7,288	1,051	-	8,339
Bank borrowings	3.10% - 6.10%	4,463	64,960	-	69,423
Bank overdrafts	7.81% - 8.42%	983	-	-	983
Lease liabilities	4.55% - 6.07%	1,141	1,514	172	2,827
		13,875	67,525	172	81,572

** Excluded contract liabilities, gaming tax, payroll tax, superannuation and GST payable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(e) Liquidity risks (Continued)

	Effective interest rates	Less than 1 year AUD'000	1 to 2 years AUD'000	2 to 5 years AUD'000	Total AUD'000
Company					
Financial liabilities					
2021					
Trade and other payables	**7.5%**	**4,872**	**-**	**-**	**4,872**
Financial guarantee contracts	**-**	**4,333**	**-**	**-**	**4,333**
		9,205	**-**	**-**	**9,205**
2020					
Trade and other payables	7.5%	3,003	-	-	3,003
Financial guarantee contracts	-	9,924	-	-	9,924
		12,927	-	-	12,927

The effective interest rates and repayment terms of the bank borrowings, overdrafts and lease liabilities are disclosed in Notes 22 and 23 to the financial statements.

The Company has given corporate guarantees to banks in respect of banking facilities granted to a subsidiary and is also jointly liable for claims against a corporate guarantee provided by its joint venture partner (Note 15). These guarantees are financial guarantee contracts as they require the Company to reimburse the banks if the subsidiary and joint venture fail to make principal or interest payments when due in accordance with the terms of the facilities drawn. As at 30 June 2021, the total banking facilities granted to a subsidiary and joint venture amounted to approximately AUD18,287,000 (2020: AUD19,350,000) and the amount utilised by a subsidiary and joint venture amounted to approximately AUD4,333,000 (2020: AUD9,924,000). The earliest period that the guarantees could be called is within 1 year from the end of the reporting period. The Company considers that it is more likely than not that no amount will be payable under the arrangements.

(f) Offsetting financial assets and financial liabilities

There are no offsetting arrangements on financial assets and financial liabilities with third parties at the Group level. The following table details the Company's financial assets which are subject to offsetting, enforceable master netting arrangements and similar agreements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

32. Financial instruments, financial risk and capital management (Continued)

(f) Offsetting financial assets and financial liabilities (Continued)

Financial liabilities

The Company has the following financial instruments subject to enforceable master netting arrangements or similar agreements as follows:

	Related amounts set off in the statement of financial position		
	Gross amount – financial liabilities AUD'000	Gross amounts – financial assets AUD'000	Net amounts of financial liabilities AUD'000
Company			
2021			
Amounts due to subsidiaries	**3,310**	**2,675**	**635**
2020			
Amounts due to subsidiaries	3,623	2,725	898

(g) Capital management policies and objectives

The Group and the Company manage their capital to ensure that the Group and the Company are able to continue as a going concern and maintains an optimal capital structure so as to maximise shareholders' values.

The management monitors capital based on gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as the sum of bank borrowings and lease liabilities less cash and bank balances. Total capital is calculated as equity plus net debt.

Management constantly reviews the capital structure to ensure the Group and the Company are able to service any debt obligations (include principal repayment and interests) based on its operating cash flows. The Group's overall strategy remains unchanged from the previous financial year.

	Group	
	2021 AUD'000	2020 AUD'000
Net debt	**58,367**	67,610
Total equity	**30,463**	35,450
Total capital	**88,830**	103,060
Gearing ratio	**66%**	66%

Gearing ratio is not relevant to the Company as the Company has no bank borrowings and lease liabilities.

The Group is in compliance with all externally imposed capital requirements for the financial years ended 30 June 2021 and 30 June 2020. The Group is subject to financial covenants and undertakings in relation to borrowings (Note 22) and is in compliance with these financial covenants and undertakings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

33. Fair value measurement

Fair value of financial assets and financial liabilities

The carrying amounts of the financial assets and liabilities in the financial statements approximate their fair values due to the relative short-term maturity of these financial instruments. The fair values of non-current liabilities in relation to bank borrowings are disclosed in Note 22 to the financial statements.

Fair value of freehold land and freehold buildings/licensed casino

The fair value measurement of freehold land and freehold buildings/licensed casino is disclosed in Note 11 to the financial statements.

34. Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2021 were authorised for issue by the Board of Directors on 17 September 2021.

STATISTICS OF SHAREHOLDINGS

AS AT 6 SEPTEMBER 2021

Issued and fully paid-up capital	:	SGD66,436,612.04
Number of ordinary shares in issue	:	486,718,542
Class of shares	:	Ordinary share
Voting rights	:	One vote per share
Number of Treasury Shares held	:	3,548,000
Number of ordinary shares excluding Treasury Shares	:	483,170,542
Percentage of Treasury Shares	:	0.73%[(1)]
Number of subsidiary holdings held	:	Nil

Note:

(1) Calculated based on 483,170,542 voting shares as at 6 September 2021.

VOTING RIGHTS

Shareholder's voting rights are set out in Regulation 76 of the Company's Constitution.

Every Member present in person or by proxy shall have one vote for every share which he holds or represents.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Rule 723 of Section B : Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires that at least 10% of the equity securities (excluding preference shares, convertible equity securities and treasury shares) of a listed company in a class that is listed be at all times held by the public.

Based on the information available to the Company as at 6 September 2021, approximately 30% of the issued ordinary shares of the Company are held in the hands of the public and therefore Rule 723 is complied with.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	1	0.24	50	0.00
100 – 1,000	36	8.45	30,100	0.01
1,001 – 10,000	140	32.86	900,700	0.19
10,001 – 1,000,000	225	52.82	21,716,050	4.49
1,000,001 and above	24	5.63	460,523,642	95.31
TOTAL	426	100.00	483,170,542	100.00

STATISTICS OF SHAREHOLDINGS
AS AT 6 SEPTEMBER 2021

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	KAMAL Y P TAN	99,116,012	20.51
2.	JAYA J B TAN	95,868,540	19.84
3.	TAN YET MENG	72,461,340	15.00
4.	NOMURA SINGAPORE LIMITED	26,949,200	5.58
5.	CHAN KAIXUAN	24,000,000	4.97
6.	KUAN PENG CHING @ KUAN PENG SOON	23,942,478	4.96
7.	TAN SAN CHUAN	18,115,336	3.75
8.	TAN SAN LIN	18,115,336	3.75
9.	PHILLIP SECURITIES PTE LTD	15,419,100	3.19
10.	TEH CHENG CHUAN	11,938,000	2.47
11.	ASSOCIATED LEISURE INTERNATIONAL PTE LTD	10,000,000	2.07
12.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	9,578,000	1.98
13.	TAN SAN MING	7,456,000	1.54
14.	LIM & TAN SECURITIES PTE LTD	6,292,000	1.30
15.	DBS NOMINEES (PRIVATE) LIMITED	3,965,500	0.82
16.	LEE WAN TANG	3,000,000	0.62
17.	LAI CHOY KUEN	2,717,400	0.56
18.	UOB KAY HIAN PRIVATE LIMITED	2,688,900	0.56
19.	WIRTZ JOCHEN	1,807,100	0.37
20.	CITIBANK NOMINEES SINGAPORE PTE LTD	1,747,800	0.36
		455,178,042	94.20

SUBSTANTIAL SHAREHOLDERS
(AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	No. of Shares	%	No. of Shares	%
Dato' Kamal Y P Tan	99,116,012	20.51	-	-
Dato' Jaya J B Tan	95,868,540	19.84	-	-
Tan Yet Meng	72,461,340	15.00	-	-

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

Pursuant to Rule 720(5) of the Section B: Rules of Catalist of Listing Manual of the SGX-ST ("Catalist Rules"), the following is the information relating to the Directors seeking re-election as Directors and/or continued appointment as Independent Director as set out in Appendix 7F of the Catalist Rules:

DETAILS	DATO' KAMAL Y P TAN	
Date of Appointment	26 February 2004	
Date of last re-appointment	25 October 2018	
Age	69	
Country of principal residence	Malaysia	
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Dato' Kamal Y P Tan for re-appointment as Non-Executive Director of the Company. The Board have reviewed and concluded that Dato' Kamal Y P Tan possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director	
Professional qualifications	Bachelor of Science (Economics), The London School of Economics and Political Science	
Working experience and occupation(s) during the past 10 years	Envictus International Holdings Limited - Non-Executive Director and Adviser - Group CEO - Executive Director	
Shareholding interest in the listed issuer and its subsidiaries	99,116,012 ordinary shares in the Company	
Any relationship (including immediate family relationships) with any existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	Brother of Dato' Jaya J B Tan, a substantial shareholder and a director of the Company, brother-in-law of Ms Tan Yet Meng, a substantial shareholder of the Company and uncle of Mr Tan San Chuan, a director of the Company.	
Conflict of Interest (including any competing business)	No	
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	
Other Principal Commitments Including Directorships		
Present	Directorships: Envictus International Holdings Limited Envictus Brands Pte Ltd Envictus QSR Pte Ltd Envictus Capital (Labuan) Inc. Envictus Foods International Inc. Envictus (NZ) Limited Naturalac Nutrition Limited PT Quick Service Restaurant Delicious Catering Sdn Bhd De-luxe Food Services Sdn Bhd Envictus Food Services Sdn Bhd Envictus Foods (M) Sdn Bhd Envictus Gifts Sdn Bhd Envictus IT Services Sdn Bhd Eureka Capital Sdn Bhd Food Emporium Sdn Bhd Gourmessa Sdn Bhd Hot Bun Food Industries Sdn Bhd	 Lyndarahim Ventures Sdn Bhd Motivage Sdn Bhd Pok Brothers (Johor) Sdn Bhd Pok Brothers Sdn Bhd Polygold Beverages Sdn Bhd Polygold Holdings Sdn Bhd Polygold Marketing Sdn Bhd Reunion Restaurant Sdn Bhd San Francisco Coffee Sdn Bhd Texas Chicken (Malaysia) Sdn Bhd Lasseters International Holdings Limited Lasseters International Pte Ltd Lasseters Resorts Pte Ltd Lasseters Investments Pte Ltd Lasseters Interactive Gaming Pte Ltd Lasseters Holdings Pty Ltd Ford Dynasty Pty Ltd Lasseters Seaford Hotel Pty Ltd

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

DETAILS	DATO' KAMAL Y P TAN	
Present (Continued)	Lasseters CLG Pty Ltd Lasseters Valley Pty Ltd Lasseters Health Club Pty Ltd Lasseters Management (M) Sdn Bhd Lasseters Properties Sdn Bhd Merry Palms Sdn Bhd Warisan Jayasama Sdn Bhd Cypress Lakes Group Pty Ltd Cypress Lakes Golf & Country Club Pty Ltd Cypress Lakes Property Pty Ltd The Golden Door Pty Ltd The Golden Door Holdings Pty Ltd The Golden Door Health Retreat - Elysia Pty Ltd The Golden Door Health Retreat - Willow Vale Pty Ltd Consistent Earnings Sdn Bhd Eleven Section Sixteen Sdn Bhd	Luhur Prisma Sdn Bhd Medan Beringin Sdn Bhd Motif Etika Sdn Bhd Panglima Etika Sdn Bhd Perinsu (Broker Insurans) Sdn Bhd Envictus Central Food Services Sdn Bhd Envictus Dairies Marketing Sdn Bhd Success In Motion Development Sdn Bhd Universal Topaz Sdn Bhd Radiant Investments Limited United Pacific Corporation Ltd Nurring Group Limited Able New Investments Ltd Grand Imperial Saigon Hotel LLC ES Ceramics Technology Bhd SAC Arms (KL) Sdn Bhd Juara Arms Sdn Bhd Sarasutra Arms Centre Sdn Bhd
Past (for last 5 years)	Directorships: Envictus Dairies NZ Limited Lasseters Corporation Limited PT Sentrafood Indonusa Sutera Mesra Sdn Bhd The Delicious (Singapore) Pte Ltd The Delicious Group Sdn Bhd Super Ace Resources Sdn Bhd	
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	Yes. Dato' Kamal resigned as a director of The Delicious Group Sdn Bhd ("TDG"), a wholly-owned subsidiary of Envictus International Holdings Limited on 22 June 2020. TDG has commenced creditors' voluntary liquidation on 5 August 2020 due to cessation of its business operations on 31 May 2020.	
c) Whether there is any unsatisfied judgment against him?	No	
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

DETAILS	DATO' KAMAL Y P TAN
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:	
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

DETAILS	DATO' KAMAL Y P TAN
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	Yes, a warning letter was issued by the Monetary Authority of Singapore to Dato' Kamal Y P Tan on 5 October 2018 relating to late disclosure of change of interest in Envictus International Holdings Limited.
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this relates to re-election of Director.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

Pursuant to Rule 720(5) of the Section B: Rules of Catalist of Listing Manual of the SGX-ST ("Catalist Rules"), the following is the information relating to the Directors seeking re-election as Directors and/or continued appointment as Independent Director as set out in Appendix 7F of the Catalist Rules:

DETAILS	TEO CHEE SENG	TAN SRI KUAN PENG CHING @ KUAN PENG SOON
Date of Appointment	26 February 2004	27 February 2004
Date of last re-appointment	25 October 2019	28 October 2020
Age	67	75
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Nominating Committee has recommended the following proposal be submitted to shareholders of the Company for approval at the AGM: (a) To re-elect Mr Teo Chee Seng (who retires pursuant to Regulation 106 of the Company's Constitution as a Director; and (b) To approve the appointment of Mr Teo Chee Seng as Independent Director (as his tenure has exceeded nine years) pursuant to Rule 406(3)(d)(iii) of Catalist Rules which will take effect on 1 January 2022. The Board of Directors of the Company has considered, among others, concurred with the recommendation of the Nominating Committee and considers Mr Teo to be independent and is of the view that he should be retained as a Non-Executive Independent Director for the following reasons: 1) He has fulfilled the criteria of independence contained in the Code of Corporate Governance 2018 and remains objective and independent in expressing his views and contributes actively in Board and Board Committees discussions and decision making-process. 2) He engages with the Management in an effective manner without compromising his independence and objective judgement and is always acting in the best interest of the Company. 3) He possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Nominating Committee has recommended the following proposal be submitted to shareholders of the Company for approval at the AGM to approve the appointment of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as Independent Director (as his tenure has exceeded nine years) pursuant to Rule 406(3)(d)(iii) of the Catalist Rules which will take effect on 1 January 2022. The Board of Directors of the Company has considered, among others, concurred with the recommendation of the Nominating Committee and considers Tan Sri Kuan Peng Ching @ Kuan Peng Soon to be independent and is of the view that he should be retained as a Non-Executive Independent Director for the following reasons: 1) He has fulfilled the criteria of independence contained in the Code of Corporate Governance 2018 and remains objective and independent in expressing his views and contributes actively in Board and Board Committees discussions and decision making-process. 2) He engages with the Management in an effective manner without compromising his independence and objective judgement and is always acting in the best interest of the Company. 3) He possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director Audit Committee Chairman Remuneration Committee Chairman Nominating Committee Member	Independent Director Nominating Committee Chairman Audit Committee Member Remuneration Committee Member
Professional qualifications	Bachelor of Laws (Hons), University of Singapore	Bachelor of Engineering The University of Adelaide
Working experience and occupation(s) during the past 10 years	Advocate & Solicitor	Fajarbaru Builder Group Berhad Deputy Chairman
Shareholding interest in the listed issuer and its subsidiaries	400,000 ordinary shares in the Company	23,942,478 ordinary shares in the Company
Any relationship (including immediate family relationships) with any existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

DETAILS	TEO CHEE SENG	TAN SRI KUAN PENG CHING @ KUAN PENG SOON
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Present Directorships	Lasseters International Pte Ltd Envictus International Holdings Limited Envictus Brands Pte Ltd UOA Development Bhd United Overseas Australia Ltd Soilbuild Construction Group Ltd	Lasseters International Holdings Limited (Listed) Star Media Group Bhd (Listed) Fajarbaru Builder Group Bhd (Listed) Unique Bay Sdn Bhd Bamboo Foundation Star Foundation Kojadi Skill Development Foundation Improve Performance Pte Ltd Lasseters International Pte Ltd Ford Dynasty Pty Ltd
Past Directorships (for last 5 years)	-	Wisma MCA Sdn Bhd Huaren Holdings Sdn Bhd Huaren Management Sdn Bhd Koperasi Usaha Mawah Berhad VTAR Education Sdn Bhd
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

DETAILS		TEO CHEE SENG	TAN SRI KUAN PENG CHING @ KUAN PENG SOON
c)	Whether there is any unsatisfied judgment against him?	No	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AND/OR CONTINUED APPOINTMENT AS INDEPENDENT DIRECTORS

DETAILS	TEO CHEE SENG	TAN SRI KUAN PENG CHING @ KUAN PENG SOON
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this relates to re-election of Director and continued appointment of Independent Director.	Not applicable as this relates to continued appointment of Independent Director.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting of Lasseters International Holdings Limited (the "**Company**") will be held by way of electronic means on Monday, 18 October 2021 at 11.00 a.m. to transact the following business:

As Ordinary Business

1. To receive and adopt the Directors' Statement, Audited Financial Statements and Auditors' Report for the year ended 30 June 2021. **Resolution 1**

2. To re-elect Dato' Kamal Y P Tan, retiring by rotation pursuant to Regulation 106 of the Constitution of the Company and who, being eligible, offers himself for re-election. **Resolution 2**

   Note : Dato' Kamal Y P Tan will, upon re-election as a Director of the Company, remain as a member of the Audit, Nominating and Remuneration Committees. He will be considered non-independent for the purposes of Rule 704(7) of Section B: Rules of Catalist of the Listing Manual (the "Catalist Rules") of the Singapore Exchange Securities Trading Limited (SGX-ST). Detailed information on Dato' Kamal Y P Tan is found under section entitled "Additional Information on Directors Seeking Re-election and/or Continued Appointment as Independent Directors" in the Company's Annual Report.

3. To re-elect Mr Teo Chee Seng, retiring by rotation pursuant to Regulation 106 of the Constitution of the Company and who, being eligible, offers himself for re-election. **Resolution 3**

4. That contingent upon passing of Resolution 5 and pursuant to Rule 406(3)(d)(iii)(A) of the Catalist Rules of the SGX-ST which will take effect from 1 January 2022, shareholders to approve the continued appointment of Mr Teo Chee Seng as an Independent Director, and that upon approval, the approval shall remain in force until the earlier of : (i) the retirement or resignation of Mr Teo Chee Seng as a director, or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **Resolution 4**

5. That contingent upon the passing of Resolution 4 and pursuant to Rule 406(3)(d)(iii)(B) of the Catalist Rules of the SGX-ST which will take effect from 1 January 2022, shareholders, excluding the directors, chief executive officer and their associates, to approve the continued appointment of Mr Teo Chee Seng as an Independent Director, and that upon due approval, the approval shall remain in force until the earlier of (i) the retirement or resignation of Mr Teo Chee Seng as a director, or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **Resolution 5**

   Note : Mr Teo Chee Seng will, upon re-election and continued appointment as a Director and Independent Director of the Company respectively, remain as the Chairmen of the Audit and Remuneration Committees and a member of the Nominating Committee. He will be considered independent for the purposes of Rule 704(7) of the Catalist Rules of the SGX-ST. Detailed information on Mr Teo Chee Seng is found under section entitled "Additional Information on Directors Seeking Re-election and/or Continued Appointment as Independent Directors" in the Company's Annual Report.

6. That contingent upon the passing of Resolution 7 and pursuant to Rule 406(3)(d)(iii)(A) which will take effect from 1 January 2022, shareholders to approve the continued appointment of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as an Independent Director, and that upon due approval, the approval shall remain in force until the earlier of : (i) the retirement or resignation of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as a director, or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **Resolution 6**

7. That contingent upon the passing of Resolution 6 and pursuant to Rule 406(3)(d)(iii)(B) of the Catalist Rules of the SGX-ST which will take effect from 1 January 2022, shareholders, excluding the directors, chief executive officer and their associates, to approve the continued appointment of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as an Independent Director, and that upon due approval, the approval shall remain in force until the earlier of (i) the retirement or resignation of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as a director, or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **Resolution 7**

NOTICE OF ANNUAL GENERAL MEETING

Note : Tan Sri Kuan Peng Ching @ Kuan Peng Soon will, upon re-election and continued appointment as a Director and Independent Director of the Company respectively, remain as the Chairman of the Nominating Committee and members of the Audit and Remuneration Committees. He will be considered independent for the purposes of Rule 704(7) of Catalist Rules. Detailed information on Tan Sri Kuan Peng Ching @ Kuan Peng Soon is found under section entitled "Additional Information on Directors Seeking Re-election and/or continued appointment as Independent Directors" in the Company's Annual Report.

8. To approve the payment of Directors' fees of SGD186,667 for the financial year ended 30 June 2021 (FY2020 : SGD160,000). **Resolution 8**

9. To re-appoint Messrs BDO LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 9**

10. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

As Special Business

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:

11. **Ordinary Resolution – General Mandate To Authorize Directors To Allot And Issue Shares And Convertible Securities** **Resolution 10**

THAT pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore (the "**Act**") and Rule 806 of Section B: Rules of Catalist of the Listing Manual (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

(a) issue shares in the capital of the Company whether by way of rights, bonus or otherwise (including shares as may be issued pursuant to any Instrument (as defined below) made or granted by the Directors while the ordinary resolution is in force notwithstanding that the authority conferred by the ordinary resolution may have ceased to be in force at the time of issue of such shares); and/or

(b) make or grant offers agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares and convertible securities to be issued pursuant to such authority:

(i) does not exceed 100% of the total number of issued shares in the capital of the Company, excluding treasury shares and subsidiary holdings, (as calculated in accordance with subparagraph (ii) below) of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares in the capital of the Company, excluding treasury shares and subsidiary holdings, (as calculated in accordance with subparagraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time of passing of the ordinary resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of shares awards, provided the options or awards were granted in compliance with the Catalist Rules; and

(b) any subsequent bonus issue, consolidation or subdivision of shares;

NOTICE OF ANNUAL GENERAL MEETING

Adjustments in accordance with (ii)(a) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of this Resolution.

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST); and

(iv) (unless revoked or varied by the Company in General Meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

12. **Ordinary Resolution – Renewal Of Share Buy-back Mandate** **Resolution 11**

THAT:

(a) for the purposes of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the ordinary shares in the capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of market purchases (each a "Market Purchase") on SGX-ST or off-market purchases ("Off-Market Purchase") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) (the "Share Buy-back Mandate") be and is hereby approved;

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;

(ii) the date on which the share purchases are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buy-back Mandate is varied or revoked;

(c) in this Resolution:

"Prescribed Limit" means 10% of the issued ordinary share capital of the Company as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time and subsidiary holdings);

"Relevant Period" means the period commencing from the date on which the last Annual General Meeting of the Company was held and expiring on the date the next Annual General Meeting of the Company is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

NOTICE OF ANNUAL GENERAL MEETING

"Maximum Price" in relation to a fully-paid ordinary share in the capital of the Company (a "Share") to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding 105% of the Average Closing Price in the case of a Market Purchase and not exceeding 120% of the Average Closing Price in the case of an Off-Market Purchase.

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five market days, on which the Shares are transacted on the SGX-ST, immediately preceding the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made;

"Day of the Making of the Offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share; and

(d) any of the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

BY ORDER OF THE BOARD

S SURENTHIRARAJ
KOK MOR KEAT
Company Secretaries

Singapore
1 October 2021

Please read the following notes and the explanations of the resolutions before deciding how to vote.

Explanatory Notes

(a) **Resolutions 4, 5, 6 & 7** – Rule 406(3)(d)(iii) of the Catalist Rules provides that with effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than 9 years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the directors and the chief executive officer of the issuer and their respective associates (who must not accept appointment as proxies unless specific instructions as to voting are given) ("two-tier voting").

Mr Teo Chee Seng and Tan Sri Kuan Peng Ching @ Kuan Peng Soon are independent directors who as at 1 January 2022 would have served on the Board for an aggregate period of more than 9 years and will cease to be regarded as independent on such date when Rule 406(3)(d)(iii) of the Catalist Rules come into effect on 1 January 2022, unless their continued appointment as independent directors from 1 January 2022 is approved under the two tier voting process as mentioned above. In anticipation of Rule 406(3)(d)(iii) of the Catalist Rules coming into effect from 1 January 2022, the Company is proposing to seek the requisite approval from the shareholders for their continued appointment as independent directors with effect from 1 January 2022.

The two-tier voting in contingent upon each other. If both resolutions are passed, the appointment of the respective independent director shall continue from 1 January 2022 until the earlier of (i) the retirement or resignation of the respective director; or (ii) the conclusion of the third annual general meeting of the Company following the passing of the respective resolutions.

NOTICE OF ANNUAL GENERAL MEETING

(b) **Resolution 10**, if passed, is to empower the Directors from the date of the above Meeting until the next Annual General Meeting (unless revoked or varied by the Company in general meeting) to issue shares in the capital of the Company up to an amount not exceeding in aggregate 100% of the total number of issued shares in the capital of the Company, excluding treasury shares and subsidiary holdings, at the time of passing the resolution, of which the aggregate number of shares to be issued other on a pro-rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares in the capital of the Company, excluding treasury shares and subsidiary holdings.

(c) **Resolution 11**, if passed, is to empower the Directors from the date of the above Meeting until the next Annual General Meeting (unless revoked or varied by the Company in general meeting) to repurchase ordinary issued shares of the Company by way of market purchases or off-market purchases of up to 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price. Information relating to this proposed Resolution is set out in the Appendix dated 1 October 2021 accompanying the Annual Report 2021.

IMPORTANT INFORMATION

Shareholders of the Company ("**Shareholders**") should take note of the following arrangements for the AGM:

(a) No Attendance in Person

In compliance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**"), the AGM will be conducted by electronic means and Shareholders will not be able to attend the AGM physically.

All Shareholders or their corporate representatives (in the case of Shareholders which are legal entities) will be able to participate in the AGM proceedings by watching a "live" webcast (the "**Live Webcast**") or listen to a "live" audio feed (the "**Live Audio Stream**").

Shareholders who wish to participate in the AGM proceedings through the Live Webcast via their mobile phones, tablets or computers must pre-register at https://conveneagm.sg/lasseters by 11.00 a.m. on 15 October 2021 (***the Registration Deadline***) to enable the Company to verify their status.

Following the verification, authenticated Shareholders will receive an email by 17 October 2021, and will be able to access the Live Webcast by clicking on the link in the email and entering the user ID and password.

Shareholders who register by the Registration Deadline but do not receive an email response by 11.00 a.m. on 17 October 2021 may contact the webcast service provider via email at support@conveneagm.com, with the full name of the shareholder and his/her identification number.

(b) Voting solely via appointing Chairman of the Meeting as Proxy

In compliance with the Order, a Shareholder who wishes to vote at the Meeting can only do so by appointing the Chairman of the Meeting to act as his/her proxy to vote on his/her behalf in respect of all the Shares held by him/her. In the Proxy Form, a Shareholder should specifically indicate his/her voting instructions as to how the Chairman is to vote for or vote against (or abstain from voting on) the resolutions to be tabled at the Meeting. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. All valid votes cast via proxy on each resolution will be counted.

(c) Investors who hold through Relevant Intermediaries (including CPF/SRS Investors)

Investors holding Shares through relevant intermediaries (as defined under Section 181 of the Companies Act (Chapter 50 of Singapore))(including CPF/SRS investors), should not use the Proxy Form and should contact their relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS investors who wish to vote should approach their respective CPF Agent Banks / SRS Operators at least seven (7) working days before the AGM (i.e. by 11.00 a.m., 6 October 2021) in order to allow sufficient time for their respective intermediaries to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the cut-off date. Other investors holding shares through other relevant intermediaries who wish to vote should approach his/her relevant intermediary as soon as possible to specify voting instructions.

NOTICE OF ANNUAL GENERAL MEETING

(d) Submission of Proxy Form

All documents relating to the business of AGM, including the proxy form, have been published on SGXNet at URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL https://lasseters.listedcompany.com. **Printed copies of these documents, including the proxy form, will not be despatched to Shareholders.**

The instrument appointing a proxy must be deposited (i) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services (Pte). Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 or (ii) by email to proxyform@lasseters-intl.com by enclosing a clear scanned completed and signed Proxy Form and must be received by the Company not less than 72 hours before the time appointed for holding the AGM.

(e) Access to documents or information relating to the AGM

In accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, all documents and information relating to the business of the AGM (including the Annual Report and the Proxy Form) have been published on Company's website at https://lasseters.listedcompany.com and on the SGXNet at https://www.sgx.com/securities/company-announcements.

(f) Further updates

In view of the evolving COVID-19 situation, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the AGM, including any precautionary measures required or recommended by government agencies, in order to curb the spread of COVID-19. Shareholders should continually check for announcements by the Company for updates on the AGM. The Company would like to thank all shareholders for their patience and co-operation in enabling the Company to continue holding its AGM amidst the COVID-19 situation.

(g) Personal data privacy

By (i) submitting an instrument appointing the Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, (ii) completing the registration form for the Live Webcast in accordance with this Notice, or (iii) submitting any question(s) prior to the AGM in accordance with this Notice, a member of the Company:

(A) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the following purposes:

(aa) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the AGM as a proxy for the AGM (including any adjournment thereof);

(bb) the verification, preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) recordings and transmitting images and/or voice recordings when broadcasting the AGM proceedings through webcast and providing any technical assistance where necessary;

(cc) addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions; and

(dd) enabling the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines,

(collectively, the ***Purposes***);

(B) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and

(C) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Website

Please refer to https://lasseters.listedcompany.com for more information about the Company, including the Annual Report 2021 and the Appendix, Notice of AGM and Proxy Form.

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LASSETERS INTERNATIONAL HOLDINGS LIMITED
Company Registration No. 200402223M
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

Important
1. The Annual General Meeting ("**AGM**" or the "Meeting") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in this proxy form which has been uploaded on SGXNet and the Company's website on the same day. The announcement, the Company's annual report, the Appendix to the annual report, the Notice of AGM and the Proxy Form, may be accessed at the Company's website at https://lasseters.listedcompany.com and on the SGX website at https://www.sgx.com/securities/company-announcements. Printed copies of these documents will not be despatched to shareholders.
2. A member will not be able to attend the AGM in person. If a member (whether individual or corporate) wishes to exercise his/hers/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions at to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. For investors who have used their CPF monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM by 11.00 a.m. on 6 October 2021.
5. By submitting an instrument appointing the Chairman of the Meeting as proxy, completing the registration form for the AGM live webcast, or submitting any questions to the Company prior to the AGM, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 1 October 2021.

I/We, ____(Name) ________________________(NRIC/Passport/Co Reg No.)

of ____(Address)

being a member/members of **LASSETERS INTERNATIONAL HOLDINGS LIMITED** (the "Company"), hereby appoint the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Eighteenth Annual General Meeting of the Company to be held wholly by way of electronic means on Monday, 18 October 2021 at 11.00 a.m. and at any adjournment thereof. I/We direct the Chairman of the Meeting as my/our proxy to vote for or against or to abstain from voting on the resolutions to be proposed at the Annual General Meeting as indicated below:

No.	Resolutions	No. of Votes For*	No. of Votes Against*	No. of Votes Abstain*
1	Adoption of Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 30 June 2021.			
2	Re-election of Dato' Kamal Y P Tan as Director.			
3	Re-election of Mr Teo Chee Seng as Director.			
4	Approval for continued appointment of Mr Teo Chee Seng as an independent director by shareholders.			
5	Approval for continued appointment of Mr Teo Chee Seng as an independent director by shareholders (excluding the Directors and the Chief Executive Officer of the Company, and their respective associates).			
6	Approval for continued appointment of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as an independent director by shareholders.			
7	Approval for continued appointment of Tan Sri Kuan Peng Ching @ Kuan Peng Soon as an independent director by shareholders (excluding the Directors and the Chief Executive Officer of the Company, and their respective associates).			
8	Approval of payment of Directors' fees of SGD186,667 in respect of the financial year ended 30 June 2021.			
9	Re-appointment of Messrs BDO LLP as auditors and to authorise the Directors to fix their remuneration.			
10	Authority to allot and issue new shares.			
11	Renewal of Share Buy-back Mandate.			

*Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution, please mark "x" in the relevant box provided. Alternatively, please indicate the number of votes "For" or "Against" each resolution. If you mark "x" in the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this __________day of ____________________ 2021.

Total Number of Shares Held	
CDP Register	
Register of Members	

____
Signature(s) of Member(s) or,
Common Seal of Corporate Shareholder
IMPORTANT. Please read notes overleaf.

Notes:

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.

2. A member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. Please note that a member may not vote at the AGM otherwise than by way of appointing the Chairman of the Meeting as the member's proxy.

   Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

3. A member who is a relevant intermediary entitled to vote at the AGM must appoint the Chairman of the AGM to vote at the AGM instead of the member.

   "Relevant intermediary" means:
   (i) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
   (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Future Act, Chapter 289 of Singapore and who holds shares in that capacity; or
   (iii) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Central Provident Fund Act, Chapter 36 of Singapore, providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

   CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM by 11.00 a.m. on 6 October 2021.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (i) if submitted electronically, be submitted via email to proxyform@lasseters-intl.com; or

   (ii) if submitted by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services (Pte). Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623.

   in either case, by no later than **15 October 2021, 11.00 a.m.**, being at least 72 hours before the time for holding the AGM.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before scanning and sending it by email to the email address provided above, or submitting it by post to the address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email.

6. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing the Chairman of Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorised.

7. Where an instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney duly authorised in writing, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument appointing the Chairman of the Meeting as proxy, failing which the instrument appointing the Chairman of the Meeting may be treated as invalid.

8. The Company shall be entitled to reject an instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of members whose shares entered against their names in the Depository Register, the Company may reject an instrument appointing the Chairman of the Meeting as proxy lodged or submitted if such members are not shown to have shares against their names in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

9. Members should take note that once this proxy form is submitted electronically via email to proxyform@lasseters-intl.com or lodged with the Company's Share Registrar, they cannot change their vote as indicated in the box provided above.

LASSETERS INTERNATIONAL HOLDINGS LIMITED (200402223M)

SGX Centre 2, #17-01, 4 Shenton Way, Singapore 068807

TEL (65) 6535 0550 **FAX** (65) 6538 0877

www.lasseters-intl.com